UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

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

For the fiscal year ended June 29, 2013
or

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

For the transition period from __________ to __________

Commission file number 1-4224

Avnet, Inc.

(Exact name of registrant as specified in its charter)

New York	**11-1890605**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
2211 South 47th Street, **Phoenix, Arizona**	**85034**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code (480) 643-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ☑

The aggregate market value (approximate) of the registrant's common equity held by non-affiliates based on the closing price of a share of the registrant's common stock for New York Stock Exchange composite transactions on December 28, 2012 (the last business day of the registrant's most recently completed second fiscal quarter) was $4,058,517,453.

As of July 26, 2013, the total number of shares outstanding of the registrant's Common Stock was 137,153,362 shares, net of treasury shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement (to be filed pursuant to Reg. 14A) relating to the Annual Meeting of Shareholders anticipated to be held on November 8, 2013 are incorporated herein by reference in Part III of this Report.

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PART I

Item 1. Business

Avnet, Inc., incorporated in New York in 1955, together with its consolidated subsidiaries (the "Company" or "Avnet"), is one of the world's largest value-added distributors, based on sales, of electronic components, enterprise computer and storage products, IT services and embedded subsystems. Avnet creates a vital link in the technology supply chain that connects the world's leading electronic component and computer product manufacturers and software developers with a global customer base of original equipment manufacturers ("OEMs"), electronic manufacturing services ("EMS") providers, original design manufacturers ("ODMs"), and value-added resellers ("VARs"). Avnet distributes electronic components, computer products and software, as received from its suppliers or through a customized solution, and offers assembly and other value-added services. In addition, Avnet provides engineering design, materials management and logistics services, system integration and configuration, and supply chain services customized to meet specific requirements of both customers and suppliers.

Organizational Structure

Avnet has two primary operating groups — Electronics Marketing ("EM") and Technology Solutions ("TS"). Both operating groups have operations in each of the three major economic regions of the world: the Americas; Europe, the Middle East and Africa ("EMEA"); and Asia/Pacific, consisting of Asia, Australia and New Zealand ("Asia" or "Asia/Pac"). Each operating group has its own management team led by a group president and includes regional presidents and senior executives within the operating group who manage various functions within the businesses. Each operating group also has distinct financial reporting that is evaluated at the corporate level on which operating decisions and strategic planning for the Company as a whole are made. Divisions exist within each operating group that serve primarily as sales and marketing units to further streamline the sales and marketing efforts within each operating group and enhance each operating group's ability to work with its customers and suppliers, generally along more specific product lines or geographies. However, each division relies heavily on the support services provided by the operating group as well as centralized support at the corporate level.

Avnet's operating groups and their sales are as follows:

Region	Fiscal 2013 Sales (Millions)	Percentage of Sales
EM Americas	$ 5,263.8	20.7%
EM EMEA	4,096.0	16.1
EM Asia	5,734.6	22.5
Total EM	15,094.4	59.3
TS Americas	5,452.8	21.4
TS EMEA	3,181.9	12.5
TS Asia	1,729.8	6.8
Total TS	10,364.5	40.7
Total Avnet	$ 25,458.9	100.0%

A description of each operating group and its businesses is presented below. Further financial information by operating group and geography is provided in Note 16 to the consolidated financial statements appearing in Item 15 of this Report.

Electronics Marketing

EM markets and sells semiconductors, interconnect, passive and electromechanical devices ("IP&E") and embedded products for the world's leading electronic component manufacturers. EM markets and sells its products and services to a diverse customer base serving many end-markets including automotive, communications, computer hardware and peripherals, industrial and manufacturing, medical equipment, and defense and aerospace. EM also offers an array of value-added services that help customers evaluate, design-in and procure electronic components throughout the lifecycle of their technology products and systems. By working with EM, customers and suppliers can accelerate their time to market and realize cost efficiencies in both the design and manufacturing process.

EM Design Chain Services

EM offers design chain services that provide engineers a host of technical design solutions in support of the sales process of complex products and technologies. With access to a suite of design tools and engineering services from any point in the design cycle, customers can get product specifications along with evaluation kits and reference designs that enable a broad range of applications from concept through detailed design including new product introduction. EM also offers engineering and technical resources deployed globally to support product design, bill of materials development, design services and technical education and training. By utilizing EM’s design chain services, customers can optimize their component selection and accelerate their time to market.

EM Supply Chain Services

EM supply chain services provide end-to-end solutions focused on OEMs, EMS providers and electronic component manufacturers, enabling them to optimize supply chains on a local, regional or global basis. By combining internal competencies in global warehousing and logistics, finance, information technology and asset management with its global footprint and extensive partner relationships, EM’s supply chain services develop a deeper level of engagement with its customers. These customers can continuously manage their supply chains to meet the demands of a competitive environment globally without a commensurate investment in physical assets. With proprietary planning tools and a variety of inventory management solutions, EM can provide unique solutions that meet a customer’s just-in-time requirements in a variety of scenarios including lean manufacturing, demand flow and outsourcing.

Embedded Solutions

In the Americas, Avnet Embedded provides embedded computing solutions including technical design, integration and assembly to developers of application-specific computing solutions in the non-PC market. Customers include OEMs targeting the medical, telecommunications, industrial and digital editing markets.

EM Sales and Marketing Divisions

Each of EM’s regions has sales and marketing divisions that generally focus on a specific customer segment, particular product lines or a specific geography. The divisions offer access to one of the industry’s broadest line cards and convenient one-stop shopping with an emphasis on responsiveness, engineering support, on-time delivery and quality. Certain specialty services are made available to the individual divisions through common support service units. Customers are further supported by a sophisticated e-Commerce platform, Avnet Express, which includes a host of powerful functions such as parametric search capabilities for component part selection, bill of material optimization and component cross-referencing. The site enables end-to-end online service from part and inventory searches, price checking and ordering to online payment. EM Americas addresses the needs of its customers and suppliers through focused channels to service small- to medium-sized customers, global customers, defense and aerospace customers and contract manufacturers. In EMEA, divisions, which are organized by semiconductors, IP&E products and supply chain services, address customers on both a pan-European and regional basis. EM Asia goes to market with sales and marketing divisions within China, South Asia, Australia, New Zealand and Taiwan. EM Japan has sales and marketing divisions to serve Japanese OEMs in Japan, Southeast Asia and China. All regions within EM provide the design chain services and supply chain services described above.

Technology Solutions

As a leading global IT solutions distributor, TS focuses on the value-added distribution of enterprise computing servers and systems, software, storage, services and complex solutions from the world’s foremost technology manufacturers. TS partners with its customers and suppliers to create and deliver effective data center and IT lifecycle solutions that solve the business challenges of end-user customers locally and around the world. TS serves a number of customer segments, from VARs, system integrators ("SIs") and independent software vendors ("ISVs") to the worldwide OEM market for computing technology and non-PC OEMs requiring embedded systems and solutions including engineering, product prototyping, integration and other value-added services. TS also provides the latest hard disk drives, microprocessor, motherboard and DRAM module technologies to manufacturers of general-purpose computers and system builders. TS has dedicated sales and marketing teams serving these customer segments.

Customers rely on TS' supplier relationships and experienced sales, marketing, technical and financial experts to help them identify and capitalize on business opportunities in high-growth technology, vertical markets and geographic services to close deals quickly and profitably. Suppliers rely on TS' technology expertise and global scale and scope to broaden their customer base and grow sales in markets around the world. TS has built an ecosystem of highly-trained and knowledgeable VARs who serve as extensions of suppliers' sales forces to deliver complex IT solutions. Unique to Avnet is its proven SolutionsPath® methodology, which offers market-specific business analysis and planning, training and enablement, and ongoing support to help partners quickly and cost effectively attain solution-selling expertise they can use to develop and deploy an array of data center solutions for high-growth market segments. Avnet SolutionsPath® includes practices dedicated to vertical markets such as healthcare, government, energy, banking and retail, as well as technology practices focused on virtualization, storage, networking, security, unified communications, mobility and cloud computing.

TS also provides a robust portfolio of software, IT lifecycle and educational service offerings that expand customers' solution delivery capabilities, extend their reach and resources, and enhance project success and return on investment for deployments throughout the IT lifecycle. The TS team sells and delivers complex IT solutions to a variety of channel partners, including VARs, ISVs, SIs and OEMs. Areas of expertise include infrastructure and application management, business commerce and analytics, cloud enablement, aftermarket and IT lifecycle services, and multilingual vendor accredited training. To continue to meet customer expectations in an evolving IT ecosystem, TS is also focused on delivering single and multi-vendor converged systems.

TS continues to invest in geographic, technology and vertical markets with high growth potential via strategic, value-creating acquisitions and organic local market development. These investments ensure that TS has the critical scale and local market expertise in place when and where its customers and suppliers want to do business so that they can capture opportunities quickly and with less risk and cost.

Foreign Operations

As noted in the operating group discussions, Avnet has significant operations in all three major economic regions of the world: the Americas, EMEA and Asia/Pacific. The percentage of Avnet's consolidated sales by region is presented in the following table:

	Percentage of Sales for Fiscal Year		
Region	**2013**	**2012**	**2011**
Americas	42%	45%	43%
EMEA	29	29	32
Asia/Pac	29	26	25
	100%	100%	100%

Avnet's foreign operations are subject to a variety of risks. These risks are discussed further under *Risk Factors* in Item 1A and under *Quantitative and Qualitative Disclosures About Market Risk* in Item 7A of this Report. Additionally, the specific translation impacts of foreign currency fluctuations, most notably the Euro, on the Company's consolidated financial statements are further discussed in *Management's Discussion and Analysis of Financial Condition and Results of Operations* in Item 7 of this Report.

Acquisitions

Avnet has historically pursued a strategic acquisition program to further its strategic objectives and support key business initiatives. This program was a significant factor in Avnet becoming one of the largest value-added distributors of electronic components, enterprise computer and storage products, IT services and embedded subsystems. Avnet expects to continue to pursue strategic acquisitions to expand its market presence, increase its scale and scope, and increase its product or service offerings.

During fiscal 2013, the Company completed 12 acquisitions with aggregate annualized revenue of approximately $1.18 billion. See Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations* in Part II of this Form 10-K for additional information on acquisitions completed during fiscal 2013, 2012 and 2011.

Major Products

One of Avnet's competitive strengths is the breadth and quality of the suppliers whose products it distributes. IBM products accounted for approximately 12%, 11% and 12% of the Company's consolidated sales during fiscal 2013, 2012 and 2011, respectively, and was the only supplier from which sales of its products exceeded 10% of consolidated sales. Listed in the table below are the major product categories and the Company's approximate sales of each during the past three fiscal years:

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Millions)		
Semiconductors	$ 13,720.8	$ 13,461.6	$ 14,149.3
Computer products	9,346.0	9,984.4	10,284.6
Connectors	687.6	667.5	1,041.4
Passives, electromechanical and other	1,704.5	1,594.0	1,059.1
	$ 25,458.9	$ 25,707.5	$ 26,534.4

Competition & Markets

The electronic components and computer products industries continue to be extremely competitive and are subject to rapid technological advances. The Company's major competitors include Arrow Electronics, Inc., Future Electronics and World Peace Group, and, to a lesser extent, Ingram Micro, Inc. and Tech Data Corp. There are also certain smaller, specialized competitors who generally focus on narrower markets, products or particular sectors. As a result of these factors, Avnet must remain competitive in its pricing of goods and services.

A key competitive factor in the electronic component and computer product distribution industry is the need to carry a sufficient amount of inventory to meet customers' rapid delivery requirements. To minimize its exposure related to valuation of inventory on hand, the majority of the Company's products are purchased pursuant to non-exclusive distributor agreements, which typically provide certain protections for product obsolescence and price erosion. These agreements are generally cancelable upon 30 to 180 days' notice and, in most cases, provide for inventory return privileges upon cancellation. In addition, the Company enhances its competitive position by offering a variety of value-added services, which entail the performance of services and/or processes tailored to individual customer specifications and business needs such as point of use replenishment, testing, assembly, supply chain management and materials management. For the year ended June 29, 2013, sales of services constituted less than 10% of our total revenues.

A competitive advantage is the size of the supplier base. Because of the number of Avnet's suppliers, many customers can simplify their procurement process and make all of their required purchases from Avnet, rather than purchasing from several different vendors.

Seasonality

Historically, Avnet's business has not been materially impacted by seasonality, with the exception of a relatively minor impact on consolidated results from the growth in revenues in the TS business during the December quarter primarily driven by the calendar year end of key suppliers and customers.

Number of Employees

At June 29, 2013, Avnet had approximately 18,500 employees.

Available Information

The Company files its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and other documents with the U.S. Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934. A copy of any document the Company files with the SEC is available for review at the SEC's public reference room, 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the public reference room by calling the SEC at 1-800-SEC-0330. The Company's SEC filings are also available to the public on the SEC's website at http://www.sec.gov and through the New York Stock Exchange ("NYSE"), 20 Broad Street, New York, New York 10005, on which the Company's common stock is listed.

A copy of any of the Company's filings with the SEC, or any of the agreements or other documents that constitute exhibits to those filings, can be obtained by request directed to the Company at the following address and telephone number:

Avnet, Inc.
2211 South 47th Street
Phoenix, Arizona 85034
(480) 643-2000
Attention: Corporate Secretary

The Company also makes these filings available, free of charge, through its website (see “Avnet Website” below).

Avnet Website

In addition to the information about Avnet contained in this Report, extensive information about the Company can be found at www.avnet.com, including information about its management team, products and services and corporate governance practices.

The corporate governance information on the website includes the Company’s Corporate Governance Guidelines, the Code of Conduct and the charters for each of the committees of Avnet’s Board of Directors. In addition, amendments to the Code of Conduct, committee charters and waivers granted to directors and executive officers under the Code of Conduct, if any, will be posted in this area of the website. These documents can be accessed at www.avnet.com under the “Investor Relations — Corporate Governance” caption. Printed versions of the Corporate Governance Guidelines, Code of Conduct and charters of the Board committees can be obtained, free of charge, by writing to the Company at the address listed above in “Available Information.”

In addition, the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports, if any, filed or furnished pursuant to Section 13(a) or 15(d) of Securities Exchange Act of 1934, as well as Section 16 filings made by any of the Company’s executive officers or directors with respect to Avnet common stock, are available on the Company’s website (www.avnet.com under the “Investor Relations — SEC Filings” caption) as soon as reasonably practicable after the report is electronically filed with, or furnished to, the Securities and Exchange Commission.

These details about Avnet’s website and its content are only for information. The contents of the Company’s website are not, nor shall they be deemed to be, incorporated by reference in this Report.

Item 1A. Risk Factors

Forward-Looking Statements and Risk Factors

This Report contains forward-looking statements with respect to the financial condition, results of operations and business of Avnet. These statements are generally identified by words like “believes,” “expects,” “anticipates,” “should,” “will,” “may,” “estimates” or similar expressions. Forward-looking statements are subject to numerous assumptions, risks and uncertainties.

Except as required by law, Avnet does not undertake any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Factors that may cause actual results to differ materially from those contained in the forward-looking statements include the following:

Economic weakness and uncertainty could adversely affect our results and prospects.

The Company's results, operations and prospects depend significantly on worldwide economic conditions, the demand for its products and services, and the financial condition of its customers and suppliers. Economic weakness and uncertainty, including ongoing macroeconomic issues in many countries, have in the past resulted, and may result in the future, in decreased revenues, margins, earnings and impairments to long-lived assets, including goodwill and other intangible assets. Economic weakness and uncertainty also make it more difficult for the Company to manage inventory levels and/or collect customer receivables, which may result in reduced access to liquidity and higher financing costs.

The electronics component and computer industries are highly competitive and if the Company fails to compete effectively, its revenues, gross profit margins and prospects may decline.

The market for the Company's products and services is very competitive and subject to rapid technological advances, new market entrants, changes in industry standards and changes in customer needs. Not only does the Company compete with other global distributors, it also competes for customers with regional distributors and some of the Company's own suppliers that maintain direct sales efforts. The Company's failure to maintain and enhance its competitive position could adversely affect its business and prospects. Furthermore, the Company's efforts to compete in the marketplace could cause deterioration of gross profit margins and, thus, overall profitability.

The size of the Company's competitors vary across market sectors, as do the resources the Company has allocated to the sectors and geographic areas in which it does business. Therefore, some competitors may have greater financial, personnel, capacity and other resources or a more extensive customer base than the Company has in one or more of its market sectors and geographic areas, which may result in the Company not being able to effectively compete in certain markets which could impact the Company's profitability and prospects.

An industry down-cycle in semiconductors could significantly affect the Company's operating results as a large portion of revenues come from sales of semiconductors, which is a highly cyclical industry.

The semiconductor industry historically has experienced periodic fluctuations in product supply and demand, often associated with changes in technology and manufacturing capacity, and is generally considered to be highly cyclical. During each of the last three fiscal years, sales of semiconductors represented over 50% of the Company's consolidated sales, and the Company's revenues, particularly those of EM, closely follow the strength or weakness of the semiconductor market. Future downturns in the technology industry, particularly in the semiconductor sector, could negatively affect the Company's operating results and negatively impact the Company's ability to maintain its current profitability levels.

Failure to maintain its relationships with key suppliers could adversely affect the Company’s sales.

One of the Company's competitive strengths is the breadth and quality of the suppliers whose products the Company distributes. However, sales of products and services from one of the Company's suppliers, IBM, accounted for approximately 12% of the Company's consolidated sales in fiscal year 2013. Management expects IBM products and services to continue to account for roughly a similar percentage of the Company's consolidated sales in fiscal year 2014. The Company's contracts with its suppliers, including those with IBM, vary in duration and are generally terminable by either party at will upon notice. To the extent IBM or other primary suppliers significantly reduce their volume of business with the Company in the future, because of a product shortage, an unwillingness to do business with Avnet, or otherwise, the Company's business and relationships with its customers could be materially and adversely affected because its customers depend on the Company's distribution of electronic components and computer products from the industry's leading suppliers. In addition, to the extent that any of the Company's key suppliers modify the terms of their contracts including, without limitation, the terms regarding price protection, rights of return, rebates or other terms that protect or enhance the Company's gross margins, it could materially and adversely affect the Company's results of operations, financial condition or liquidity.

The Company's non-U.S. locations represent a significant portion of its revenue, and consequently, the Company is increasingly exposed to risks associated with operating internationally.

During fiscal year 2013, 2012 and 2011, approximately 63%, 61% and 62%, respectively, of the Company's sales came from its operations outside the United States. As a result of the Company's foreign sales and locations, in particular those in emerging and developing economies, the Company's operations are subject to a variety of risks that are specific to international operations, including, but not limited to, the following:

- potential restrictions on the Company's ability to repatriate funds from its foreign subsidiaries;
- foreign currency and interest rate fluctuations and the impact on the Company's reported results of operations;
- import and export duties and value-added taxes;
- compliance with foreign and domestic import and export regulations, data privacy regulations, business licensing requirements, environmental regulations and anti-corruption laws, the failure of which could result in severe penalties including monetary fines, criminal proceedings and suspension of import or export privileges;
- changing tax laws and regulations;
- regulatory requirements and prohibitions that differ between jurisdictions;
- economic and political instability, terrorism and potential military conflicts or civilian unrest;
- fluctuations in freight costs, limitations on shipping and receiving capacity, and other disruptions in the transportation and shipping infrastructure;
- natural disasters and health concerns;
- differing environmental regulations and employment practices and labor issues; and

- the risk of non-compliance with local laws.

In addition to the cost of compliance, the potential criminal penalties for violations of export regulations and anti-corruption laws by the Company or its third-party agents create heightened risks for the Company's international operations. In the event that a governing regulatory body determined that the Company had violated applicable import or export regulations or anti-corruption laws, the Company could be fined significant sums, incur sizable legal defense costs and/or its import or export capabilities could be restricted, which could have a material and adverse effect on the Company's business. Additionally, allegations that the Company has violated a governmental regulation may negatively impact the Company's reputation, which may result in customers or suppliers being unwilling to do business with the Company. While the Company has adopted measures designed to ensure compliance with these laws, the Company cannot be assured that such measures will be adequate or that its business will not be materially and adversely impacted in the event of an alleged violation.

The Company's acquisition strategy may not produce the expected benefits, which may adversely affect the Company's results of operations.

Avnet has made, and expects to continue to make, strategic acquisitions or investments in companies around the world to further its strategic objectives and support key business initiatives. Acquisitions and investments involve risks and uncertainties, some of which may differ from those associated with Avnet's historical operations. The risks relating to such transactions include, but are not limited to, risks relating to expanding into emerging markets and business areas, adding additional product lines and services, incurring unanticipated costs or liabilities associated with the companies acquired and diverting management's attention from existing business operations. As a result, the Company's profitability may be negatively impacted. In addition, the Company may not be successful in integrating the acquired businesses or the integration may be more difficult, costly or time-consuming than anticipated. Further, any litigation relating to a potential acquisition will result in an increase in the expenses associated with the acquisition or cause a delay in completing the acquisition, thereby impacting the Company's profitability. The Company may experience disruptions that could, depending on the size of the acquisition, have a material adverse effect on its business, especially where an acquisition target may have pre-existing non-compliance or pre-existing deficiencies or material weaknesses in internal controls as those terms are defined under relevant SEC rules and regulations. Furthermore, the Company may not realize all of the anticipated benefits from its acquisitions, which could materially and adversely affect the Company's financial performance.

Major disruptions to the Company’s logistics capability could have a material adverse impact on the Company’s operations.

The Company's global logistics services are operated through specialized, centralized or outsourced distribution centers around the globe. The Company also depends almost entirely on third-party transportation service providers for the delivery of products to its customers. A major interruption or disruption in service at one or more of its distribution centers for any reason (such as natural disasters, pandemics, or significant disruptions of services from our third-party providers) could cause cancellations or delays in a significant number of shipments to customers and, as a result, could have a severe impact on the Company's business, operations and financial performance.

If the Company’s internal information systems fail to function properly, or if the Company is unsuccessful in the integration or upgrade of information systems, its business operations could suffer.

The Company's expanding operations put increasing pressure on the Company's information systems to facilitate the day-to-day operations of the business and to produce timely, accurate and reliable reports on financial and operational results. Currently, the Company's global operations are tracked with multiple information systems, some of which are subject to ongoing IT projects designed to streamline or optimize the Company's global information systems. There is no guarantee that the Company will be successful at all times in these efforts or that there will not be integration difficulties that will adversely affect the Company's ability to complete business transactions timely or the accurate and timely recording and reporting of financial data. In addition, the Company's information technology is subject to cybersecurity breaches, computer hacking or other general system failures. Maintaining and operating these systems requires continuous investments. A security breach could result in sensitive data being manipulated or exposed to unauthorized persons or to the public. A failure of any of these information systems in a way described above or material difficulties in upgrading these information systems could have material adverse effects on the Company's business and its compliance with reporting obligations under federal securities laws.

Declines in the value of the Company's inventory or unexpected order cancellations by the Company's customers could materially and adversely affect its business, results of operations, financial condition and liquidity.

The electronic components and computer products industries are subject to rapid technological change, new and enhanced products, changes in customer needs and changes in industry standards, which can contribute to a decline in value or obsolescence of inventory. Regardless of the general economic environment, it is possible that prices will decline due to a decrease in demand or an oversupply of products and, as a result of the price declines, there may be greater risk of declines in inventory value. Although it is the policy of many of the Company's suppliers to offer distributors like Avnet certain protections from the loss in value of inventory (such as price protection and limited rights of return), the Company cannot be assured that such policies will fully compensate for the loss in value, or that the vendors will choose to, or be able to, honor such agreements, some of which are not documented and, therefore, subject to the discretion of the vendor. In addition, the majority of the Company's sales are typically made pursuant to individual purchase orders, and the Company generally does not have long-term supply arrangements with its customers. Generally, the Company's customers may cancel orders 30 days prior to shipment with minimal penalties. The Company cannot be assured that unforeseen new product developments, declines in the value of the Company's inventory or unforeseen order cancellations by its customers will not materially and adversely affect the Company's business, results of operations, financial condition or liquidity.

Substantial defaults by the Company's customers on its accounts receivable or the loss of significant customers could have a significant negative impact on the Company's business, results of operations, financial condition or liquidity.

A significant portion of the Company's working capital consists of accounts receivable from customers. If customers responsible for a significant amount of accounts receivable were to become insolvent or otherwise unable to pay the amount they owe the Company, or were to become unwilling or unable to make such payments in a timely manner, the Company's business, results of operations, financial condition or liquidity could be adversely affected. An economic or industry downturn could adversely and materially affect the servicing of these accounts receivable, which could result in longer payment cycles, increased collection costs and defaults in excess of management's expectations. A significant deterioration in the Company's ability to collect on accounts receivable could also impact the cost or availability of financing under its accounts receivable securitization program (see *Financing Transactions* appearing in Item 7 of this Report).

The Company may not have adequate or cost-effective liquidity or capital resources.

The Company's ability to satisfy its cash needs depends on its ability to generate cash from operations and to access the financial markets, both of which are subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond the Company's control.

The Company may need to satisfy its cash needs through external financing. However, external financing may not be available on acceptable terms or at all. As of June 29, 2013, Avnet had total debt outstanding of approximately $2.05 billion under various notes and committed and uncommitted lines of credit with financial institutions. The Company needs cash to make interest payments on, and to refinance, this indebtedness and for general corporate purposes, such as funding its ongoing working capital and capital expenditure needs. Under the terms of any external financing, the Company may incur higher than expected financing expenses and become subject to additional restrictions and covenants. Any material increase in the Company's financing costs could have a material adverse effect on its profitability.

Under certain of its credit facilities, the Company is required to maintain certain specified financial ratios and meet certain tests. If the Company fails to meet these financial ratios and/or tests, it may be unable to continue to utilize these facilities. If the Company is unable to utilize these facilities, it may not have sufficient cash available to make interest payments on and refinance indebtedness and for general corporate needs. General economic or business conditions, domestic and foreign, may be less favorable than management expects and could adversely impact the Company's sales or its ability to collect receivables from its customers, which may impact access to the Company's securitization program.

The agreements governing some of the Company's financings contain various covenants and restrictions that limit the discretion of management in operating its business and could prevent us from engaging in some activities that may be beneficial to the Company's business.

The agreements governing the Company's financing, including its credit facility and the indentures governing the Company's outstanding notes, contain various covenants and restrictions that, in certain circumstances, limit the Company's ability, and the ability of certain subsidiaries, to:

- grant liens on assets;
- make restricted payments (including paying dividends on capital stock or redeeming or repurchasing capital stock);
- make investments;
- merge, consolidate or transfer all or substantially all of the Company’s assets;
- incur additional debt; or

- engage in certain transactions with affiliates.

As a result of these covenants and restrictions, the Company may be limited in the future in how it conducts its business and may be unable to raise additional debt, compete effectively or make further investments.

The Company may become involved in intellectual property disputes that could cause it to incur substantial costs, divert the efforts of management or require it to pay substantial damages or licensing fees.

From time to time, the Company receives notifications alleging infringements of intellectual property rights allegedly held by others relating to the Company's business or the products or services it sells. Litigation with respect to patents or other intellectual property matters could result in substantial costs and diversion of management and other resources and could have an adverse effect on the Company's operations. Further, the Company may be obligated to indemnify and defend its customers if the products or services the Company sells are alleged to infringe any third-party's intellectual property rights. While the Company may be able to seek indemnification from its suppliers for itself and its customers against such claims, there is no assurance that it will be successful in obtaining such indemnification or that the Company will be fully protected against such claims. If an infringement claim is successful, the Company may be required to pay damages or seek royalty or license arrangements, which may not be available on commercially reasonable terms. The Company may have to stop selling certain products or services, which could affect its ability to compete effectively.

Failure to comply with the requirements of environmental regulations could adversely affect its business.

The Company is subject to various federal, state, local and foreign laws and regulations addressing environmental and other impacts from product disposal, use of hazardous materials in products, recycling of products at the end of their useful life and other related matters. While the Company strives to ensure it is in full compliance with all applicable regulations, certain of these regulations impose liability without fault. Additionally, the Company may be held responsible for the prior activities of an entity it acquired. Failure to comply with these regulations could result in substantial costs, fines and civil or criminal sanctions, as well as third-party claims for property damage or personal injury. Further, environmental laws may become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violations.

Tax legislation initiatives or challenges to the Company's tax positions could impact the Company's results of operations and financial condition.

As a multinational corporation, the Company is subject to the tax laws and regulations of the United States federal, state and local governments and of many international jurisdictions. From time to time, legislation may be enacted that could adversely affect the Company's tax positions. There can be no assurance that our effective tax rate and the resulting cash flow will not be adversely affected by these potential changes in regulations. The tax laws and regulations of the various countries where the Company has operations are extremely complex and subject to varying interpretations. Although the Company believes that its historical tax positions are sound and consistent with applicable laws, regulations and existing precedent, there can be no assurance that these tax positions will not be challenged by relevant tax authorities or that the Company would be successful in any such challenge.

If the Company fails to maintain effective internal controls, it may not be able to report its financial results accurately or timely or prevent or detect fraud, which could have a material adverse effect on the Company’s business or the market price of the Company's securities.

Effective internal controls are necessary for the Company to provide reasonable assurance with respect to its financial reports and to effectively prevent or detect fraud. If the Company cannot provide reasonable assurance with respect to its financial reports and effectively prevent or detect fraud, its brand and operating results could be harmed. Pursuant to the Sarbanes-Oxley Act of 2002, the Company is required to furnish a report by management on internal control over financial reporting, including management's assessment of the effectiveness of such control. Internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Therefore, even effective internal controls cannot provide absolute assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of effectiveness of internal control over financial reporting to future periods are subject to the risk that the control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. If the Company fails to maintain the adequacy of its internal controls, including any failure to implement required new or improved controls, or if the Company experiences difficulties in their implementation, the Company's business and operating results could be harmed, and the Company could fail to meet its reporting obligations, which could have a material adverse effect on its business or the market price of the Company's securities.

Item 1B. ***Unresolved Staff Comments***

Not applicable.

Item 2. Properties

The Company owns and leases approximately 1,558,000 and 6,391,000 square feet of space, respectively, of which approximately 42% is located in the United States. The following table summarizes certain of the Company’s key facilities.

Location	Sq. Footage	Leased or Owned	Primary Use
Poing, Germany	423,000	Leased	EM warehousing, value-added operations and offices
Chandler, Arizona	399,000	Owned	EM warehousing and value-added operations
Tongeren, Belgium	388,000	Owned	EM and TS warehousing and value-added operations
Grove City, Ohio	297,000	Leased	EM warehousing, integration and value-added operations
Poing, Germany	296,000	Owned	EM warehousing, value-added operations and offices
Groveport, Ohio	266,000	Leased	TS warehousing, integration and value-added operations
Chandler, Arizona	231,000	Leased	EM warehousing, integration and value-added operations
Atlanta, Georgia	195,000	Leased	TS warehousing, integration and value-added operations
Hong Kong, China	181,000	Leased	EM warehousing and value-added operations
Phoenix, Arizona	176,000	Leased	Corporate and EM headquarters
Coppell, Texas	174,000	Leased	EM warehousing, integration and value-added operations
Nettetal, Germany	137,000	Owned	EM warehousing, value-added operations and offices
Tempe, Arizona	132,000	Leased	TS headquarters
Nettetal, Germany	126,000	Owned	TS warehousing, value-added operations and offices
Nogales, Mexico	124,000	Leased	EM warehousing and value-added operations

Item 3. Legal Proceedings

As a result primarily of certain former manufacturing operations, Avnet has incurred and may have future liability under various federal, state and local environmental laws and regulations, including those governing pollution and exposure to, and the handling, storage and disposal of, hazardous substances. For example, under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (“CERCLA”) and similar state laws, Avnet is and may be liable for the costs of cleaning up environmental contamination on or from certain of its current or former properties, and at off-site locations where the Company disposed of wastes in the past. Such laws may impose joint and several liability. Typically, however, the costs for cleanup at such sites are allocated among potentially responsible parties based upon each party’s relative contribution to the contamination, and other factors.

Pursuant to SEC regulations, including but not limited to Item 103 of Regulation S-K, the Company regularly assesses the status of and developments in pending environmental legal proceedings to determine whether any such proceedings should be identified specifically in this discussion of legal proceedings, and has concluded that no particular pending environmental legal proceeding requires public disclosure. Based on the information known to date, management believes that the Company has appropriately accrued in its consolidated financial statements for its share of the estimated costs of environmental matters.

The Company is also party to various other lawsuits, claims, investigations and other legal proceedings arising from time to time in the normal course of business. While litigation is subject to inherent uncertainties, management currently believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not have a material adverse effect on the Company’s financial position, liquidity or results of operations.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market price per share

The Company's common stock is listed on the New York Stock Exchange under the symbol AVT. Quarterly high and low sales closing prices (as reported for the New York Stock Exchange composite transactions) for the last two fiscal years were:

	2013		2012	
Fiscal Quarters	**High**	**Low**	**High**	**Low**
1st	$ 33.51	$ 28.91	$ 32.86	$ 24.19
2nd	31.62	27.01	31.73	24.77
3rd	36.86	30.61	36.83	31.02
4th	35.39	31.54	36.65	29.23

The Company did not pay any dividends on its common stock during the last two fiscal years. Any future decision to declare or pay dividends will be at the discretion of the Board of Directors and will be dependent upon the Company's financial condition, results of operations, capital requirements, and such other factors as the Board of Directors deems relevant. In addition, certain of the Company's debt facilities contain restrictions on the declaration and payment of dividends.

Record Holders

As of July 26, 2013, there were 3,330 registered holders of record of Avnet's common stock.

Equity Compensation Plan Information as of June 29, 2013

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	5,559,753 (1)	$26.65	2,995,588 (2)

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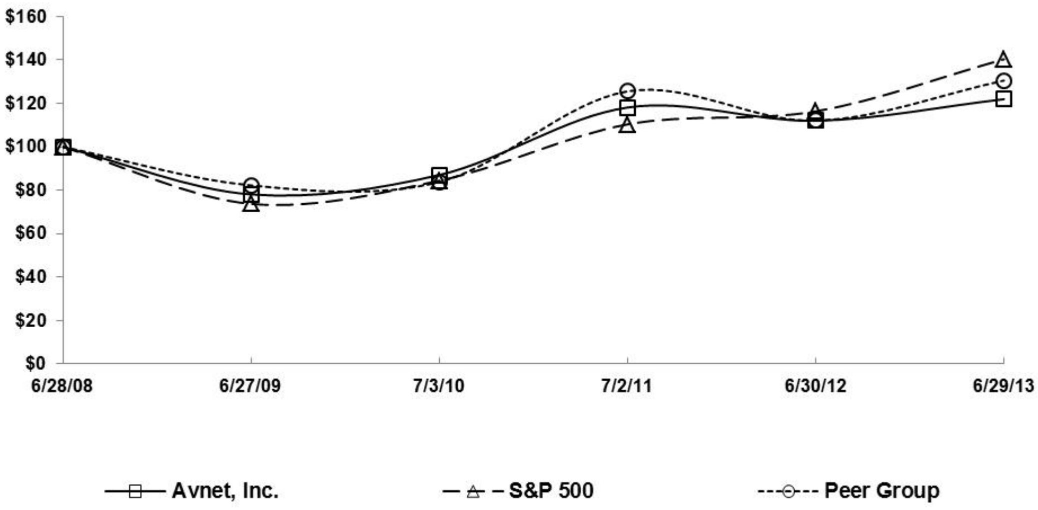
(1) Includes 2,579,188 shares subject to options outstanding and 2,009,510 stock incentive shares and 971,055 performance shares awarded but not yet delivered. Included in the performance shares is the number of shares anticipated to be issued in the first quarter of fiscal 2014 relating to the level of achievement reached under the performance share program,that ended on June 29, 2013 (see Note 12 in the *Notes to Consolidated Financial Statements* included in Item 15 of this Report)

(2) Does not include 432,789 shares available for future issuance under the Employee Stock Purchase Plan, which is a non-compensatory plan.

Stock Performance Graphs and Cumulative Total Returns

The graph below compares the cumulative 5-year total return of holders of Avnet, Inc.'s common stock with the cumulative total returns of the S&P 500 index and certain of Avnet's peer companies in the electronics distribution industry. The graph tracks the performance of a $100 investment in Avnet's common stock, in the peer group, and the index (with the reinvestment of all dividends) from June 28, 2008 to June 29, 2013. The companies comprising the peer group that Avnet has historically used are: Agilysys, Inc., Anixter International, Inc., Arrow Electronics, Inc., Ingram Micro, Inc., Insight Enterprises, Inc., Scansource, Inc., Synnex Corp. and Tech Data Corp. Brightpoint, Inc. terminated its registration with the SEC as a result of it being acquired and, therefore, is not included in the graph below.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among Avnet, Inc., the S&P 500 Index, and a Peer Group



*$100 invested on 6/28/08 in stock or index, including reinvestment of dividends. Index calculated on month-end basis.

	6/28/2008	6/27/2009	7/3/2010	7/2/2011	6/30/2012	6/29/2013
Avnet, Inc.	100.00	78.11	87.04	118.15	112.01	121.96
S&P 500	100.00	73.79	84.43	110.35	116.36	140.32
Peer Group	100.00	82.26	83.84	125.55	112.07	130.55

The stock price performance included in this graph is not necessarily indicative of future stock price performance. The Company does not make or endorse any predictions as to future stock performance. The performance graph is furnished solely to accompany this Report and is not being filed for purposes of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Issuer Purchases of Equity Securities

In August 2011, the Company's Board of Directors (the "Board") approved the repurchase of up to $500.0 million of the Company's common stock through a share repurchase program. During August 2012, the Board approved an additional $250.0 million for the share repurchase program. With this increase, the Company may repurchase up to a total of $750.0 million of the Company's common stock under the share repurchase program. The following table includes, if any, the Company's monthly purchases of Avnet's common stock during the fourth quarter ended June 29, 2013 under the share repurchase program, which is part of a publicly announced plan, and purchases made on the open market to obtain shares for the Company's Employee Stock Purchase Plan ("ESPP"), which is not part of a publicly announced plan:

Period	Total Number of Shares Purchased[1]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
April	5,600	$33.86	—	$224,475,000
May	5,500	$32.82	—	$224,475,000
June	4,400	$33.05	—	$224,475,000

(1) Consists entirely of purchases of Avnet's common stock associated with the Company's ESPP.

Item 6. Selected Financial Data

	Years Ended									
	June 29, 2013		June 30, 2012		July 2, 2011		July 3, 2010		June 27, 2009[(a)]	
	(Millions, except for per share and ratio data)									
Income:										
Sales	$ 25,458.9		$ 25,707.5		$ 26,534.4		$ 19,160.2		$ 16,229.9	
Gross profit	2,979.8		3,050.6		3,107.8		2,280.2		2,023.0	
Operating income (loss)	626.0	(b)	884.2	(c)	930.0	(d)	635.6	(e)	(1,019.0)	(f)
Income tax provision	99.2	(b)	223.8	(c)	201.9	(d)	174.7	(e)	34.7	(f)
Net income (loss)	450.1	(b)	567.0	(c)	669.1	(d)	410.4	(e)	(1,129.7)	(f)
Financial Position:										
Working capital[(g)]	3,535.4		3,455.7		3,749.5		3,190.6		2,688.4	
Total assets	10,474.7		10,167.9		9,905.6		7,782.4		6,273.5	
Long-term debt	1,207.0		1,272.0		1,273.5		1,243.7		946.6	
Shareholders' equity	4,289.1		3,905.7		4,056.1		3,009.1		2,760.9	
Per Share:										
Basic earnings (loss)	3.26	(b)	3.85	(c)	4.39	(d)	2.71	(e)	(7.49)	(f)
Diluted earnings (loss)	3.21	(b)	3.79	(c)	4.34	(d)	2.68	(e)	(7.49)	(f)
Book value per diluted share	30.64		26.12		26.28		19.66		18.30	
Ratios:										
Operating income (loss) margin on sales	2.5%	(b)	3.4%	(c)	3.5%	(d)	3.3%	(e)	(6.3)%	(f)
Net income (loss) margin on sales	1.8%	(b)	2.2%	(c)	2.5%	(d)	2.1%	(e)	(7.0)%	(f)
Return on capital	10.6%	(b)	12.9%	(c)	15.2%	(d)	14.0%	(e)	(26.6)%	(f)
Quick	1.2:1		1.2:1		1.2:1		1.4:1		1.5:1	
Working capital	1.7:1		1.7:1		1.8:1		1.9:1		2.1:1	
Total debt to capital	32.3%		35.4%		27.2%		29.8%		26.0 %	

(a) As adjusted for the retrospective application of an accounting standard. The Financial Accounting Standards Board issued authoritative guidance that requires the issuer of certain convertible debt instruments that may be settled in cash (or other assets) on conversion to separately account for the debt and equity (conversion option) components of the instrument. The standard requires the convertible debt to be recognized at the present value of its cash flows discounted using the non-convertible debt borrowing rate at the date of issuance. The resulting debt discount from this present value calculation is to be recognized as the value of the equity component and recorded to additional paid in capital. The discounted convertible debt is then required to be accreted up to its face value and recorded as non-cash interest expense over the expected life of the convertible debt. In addition, deferred financing costs associated with the convertible debt are required to be allocated between the debt and equity components based upon relative values. During the first quarter of fiscal 2010, the Company adopted this standard; however, there was no impact to the fiscal 2010 consolidated financial statements because the Company's 2% Convertible Senior Debentures, to which this standard applied, were extinguished in fiscal 2009. Due to the required retrospective application of this standard to prior periods, the Company adjusted the prior period comparative consolidated financial statements. The following table summarizes the adjustments to increase (decrease) previously reported balances.

Adjustments-increase (decrease)	**June 27, 2009**
	(Millions, except per share data)
Selling, general and administrative expenses	$ (0.3)
Interest expense	12.2
Income tax provision	(4.6)
Net income	(7.3)
Basic EPS	$ (0.05)
Diluted EPS	$ (0.05)

(b) Includes the impact of (i) restructuring, integration and other charges, which totaled $149.5 million pre-tax, $116.4 million after tax and $0.83 per share on a diluted basis; (ii) a gain on bargain purchase and other, which totaled $31.0 million pre-tax and after tax and $0.22 per share on a diluted basis; and (iii) a tax benefit of $50.4 million and $0.36 per share on a diluted basis primarily due to the release of certain tax valuation allowances net of additional tax reserves (see Note 9 and 17 in the *Notes to the Consolidated Financial Statements* contained in Item 15 of this Report for further discussion of these items).

(c) Includes the impact of (i) restructuring, integration and other charges, which totaled $73.6 million pre-tax, $53.0 million after tax and $0.35 per share on a diluted basis; (ii) a gain on bargain purchase and other, which totaled $2.9 million pre-tax, $3.5 million after tax and $0.02 per share on a diluted basis; and (iii) a tax benefit of $8.6 million and $0.06 per share on a diluted basis primarily due to the release of certain tax valuation allowances net of additional tax reserves (see Note 9 and 17 in the *Notes to the Consolidated Financial Statements* contained in Item 15 of this Report for further discussion of these items).

(d) Includes the impact of (i) restructuring, integration and other charges, which totaled $77.2 million pre-tax, $56.2 million after tax and $0.36 per share on a diluted basis; (ii) a gain on bargain purchase and other which totaled $22.7 million pre-tax, $25.7 million after tax and $0.17 per share on a diluted basis; and (iii) a tax benefit of $32.9 million and $0.21 per share on a diluted basis primarily due to the release of certain tax valuation allowances net of additional tax reserves (see Note 9 and 17 in the *Notes to the Consolidated Financial Statements* contained in Item 15 of this Report for further discussion of these items).

(e) Includes the impact of (i) restructuring, integration and other charges, which totaled $25.4 million pre-tax, $18.8 million after tax and $0.12 per share on a diluted basis; and (ii) a gain on sale of assets, which totaled $8.8 million pre-tax, $5.4 million after tax and $0.03 per share on a diluted basis.

(f) Includes (i) goodwill and intangible asset impairment charges of $1.41 billion pre-tax, $1.38 billion after tax and $9.13 per share; and (ii) the impact of restructuring, integration and other charges, which totaled $99.3 million pre-tax, $34.9 million after tax and $0.23 per share.

(g) This calculation of working capital is defined as current assets less current liabilities.

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

For an understanding of Avnet and the significant factors that influenced the Company's performance during the past three fiscal years, the following discussion should be read in conjunction with the description of the business appearing in Item 1 of this Report and the consolidated financial statements, including the related notes and schedule, and other information appearing in Item 15 of this Report. The Company operates on a "52/53 week" fiscal year. Fiscal 2013, 2012 and 2011 all contained 52 weeks.

There are references to the impact of foreign currency translation in the discussion of the Company's results of operations. When the stronger U.S. Dollar 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 as compared with the prior period. When the U.S. Dollar weakens, the resulting impact is an increase in U.S. Dollars of reported results as compared with the prior period. In the discussion that follows, this is referred to as the "translation impact of changes in foreign currency exchange rates."

In addition to disclosing financial results that are determined in accordance with U.S. generally accepted accounting principles ("GAAP"), the Company also discloses certain non-GAAP financial information, including:

- Income or expense items as adjusted for the translation impact of changes in foreign currency exchange rates, as discussed above.
- Sales adjusted for certain items that impact the year-over-year analysis, which included the impact of acquisitions by adjusting Avnet's prior periods to include the sales of businesses acquired as if the acquisitions had occurred at the beginning of the period presented. In addition, the prior year sales are adjusted for (i) two divestitures by adjusting Avnet's prior periods to exclude the sales of the business divested as if the divestiture had occurred at the beginning of the period presented, and (ii) the transfer of the existing commercial components business from TS Americas to EM Americas that occurred in the first quarter of fiscal 2012 and the transfer of another business unit from TS Americas to EM Americas that was completed at the beginning of fiscal 2013. Sales taking into account the combination of these adjustments are referred to as "organic sales."
- Operating income excluding restructuring, integration and other charges incurred in fiscal 2013, 2012 and 2011. The reconciliation to GAAP is presented in the following table:

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Thousands)		
GAAP operating income	$ 625,981	$ 884,165	$ 929,979
Restructuring, integration and other	149,501	73,585	77,176
Adjusted operating income	$ 775,482	$ 957,750	$ 1,007,155

Management believes that providing this additional information is useful for the reader to better assess and understand operating performance, especially when comparing results with previous periods or forecasting performance for future periods. Furthermore, management typically monitors the business both including and excluding these items and uses these non-GAAP measures to establish operational goals and, in some cases, for measuring performance for compensation purposes. 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.

Results of Operations

Executive Summary

Revenue for fiscal 2013 was $25.46 billion, a decrease of 1.0% from fiscal 2012 revenue of $25.71 billion, and revenue on an organic basis was down 5.3% year over year. This decrease in revenue reflects weakness in the western regions at both operating groups due primarily to the global macroeconomic environment, partially offset by strength in Asia. EM revenue of $15.09 billion increased 1.1% over the prior year and organic revenue decreased 1.2% year over year in constant currency. This decrease in organic revenue was primarily related to the Americas region, which (i) experienced weaker demand and (ii) exited the lower margin commercial components business. TS revenue of $10.36 billion decreased 3.8% over the prior year and its organic revenue decreased 8.3% in constant currency over the prior year. This decrease in organic revenue was also attributable to weakness in the western regions.

Gross profit margin of 11.7% declined 17 basis points over the prior year. EM gross profit margin declined 52 basis points year over year due to competitive pressures most notably in the EMEA region and a higher mix of lower margin Asia revenue. TS gross profit margin improved 24 basis points year over year primarily driven by the Americas and EMEA offset by a decrease in Asia. These increases were driven primarily by the revenue mix of higher margin products and services.

Consolidated operating income margin was 2.5% as compared with 3.4% in the prior year. Both periods included restructuring, integration and other charges. Excluding these charges from both periods, operating income margin was 3.0% of sales in fiscal 2013 as compared to 3.7% of sales in the prior year. EM operating income margin decreased 90 basis points year over year to 4.1%. The decline in EM operating income margin was primarily due to lower profitability in the western regions due to lower gross profit margins, partially offset by the benefit of cost reduction actions taken. TS operating income margin decreased 27 basis points year over year to 2.7% due primarily to recent acquisitions as the related cost synergies have not yet been attained, in particular in EMEA.

Three-Year Analysis of Sales: By Operating Group and Geography

	Years Ended						Percent Change	
	June 29, 2013	**% of Total**	**June 30, 2012**	**% of Total**	**July 2, 2011**	**% of Total**	**2013 to 2012**	**2012 to 2011**
				(Dollars in millions)				
Sales by Operating Group:								
EM Americas	$ 5,263.8	*20.7%*	$ 5,678.7	*22.1%*	$ 5,113.8	*19.3%*	(7.3)%	11.0 %
EM EMEA	4,096.0	*16.1*	4,203.3	*16.4*	4,816.3	*18.1*	(2.6)	(12.7)
EM Asia	5,734.6	*22.5*	5,051.1	*19.6*	5,136.1	*19.4*	13.5	(1.7)
Total EM	15,094.4	*59.3*	14,933.1	*58.1*	15,066.2	*56.8*	1.1	(0.9)
TS Americas	5,452.8	*21.4*	5,820.6	*22.6*	6,404.7	*24.1*	(6.3)	(9.1)
TS EMEA	3,181.9	*12.5*	3,205.6	*12.5*	3,577.1	*13.5*	(0.7)	(10.4)
TS Asia	1,729.8	*6.8*	1,748.2	*6.8*	1,486.4	*5.6*	(1.1)	17.6
Total TS	10,364.5	*40.7*	10,774.4	*41.9*	11,468.2	*43.2*	(3.8)	(6.0)
Total Avnet, Inc.	$ 25,458.9		$ 25,707.5		$ 26,534.4		(1.0)%	(3.1)%
Sales by Geographic Area:								
Americas	$ 10,716.6	*42.1%*	$ 11,499.3	*44.8%*	$ 11,518.5	*43.4%*	(6.8)%	(0.2)%
EMEA	7,277.9	*28.6*	7,408.9	*28.8*	8,393.4	*31.6*	(1.8)	(11.7)
Asia/Pacific	7,464.4	*29.3*	6,799.3	*26.4*	6,622.5	*25.0*	9.8	2.7
	$ 25,458.9		$ 25,707.5		$ 26,534.4			

Sales

Items Impacting Year-over-Year Sales Comparisons

During the past three fiscal years, the Company acquired several businesses impacting both operating groups, as presented in the following table. To facilitate easier and more meaningful year-over-year comparisons, the discussions that follow include sales on an organic basis as well as on a reported basis.

Acquired Business	Group & Region	Approximate Annualized Revenues [1] (Millions)		Acquisition Date
Fiscal 2013				
RTI Holdings	EM Asia	$	78	April 2013
TSSLink, Inc.	TS Americas		10	December 2012
Universal Semiconductor, Inc.	EM Americas		75	December 2012
Genilogix	TS Americas		23	November 2012
Brightstar Partners, Inc.	TS Americas		14	November 2012
Magirus AG	TS EMEA		633	October 2012
Tekdata Interconnections, Limited	EM EMEA		10	October 2012
Internix, Inc.	EM Asia		264	August 2012
C.R.G. Electronics, Ltd.	EM EMEA		24	August 2012
Pepperweed Consulting	TS Americas		12	August 2012
Mattelli Limited	TS EMEA		1	July 2012
Altron GmbH & Co KG	EM EMEA		34	July 2012
Total		$	1,178	
Fiscal 2012				
Ascendant Technology	TS Americas & TS EMEA	$	86	April 2012
Nexicore Services	EM Americas		85	April 2012
Controlling interest in a non-wholly owned entity	EM Americas		62	January 2012
Pinnacle Data Systems	EM Americas		27	January 2012
Canvas Systems	TS Americas & TS EMEA		118	January 2012
Unidux Electronics Limited (Singapore)	EM Asia		145	January 2012
Round 2 Tech	EM Americas		54	January 2012
DE2 SAS	EM EMEA		11	November 2011
JC Tally Trading Co. & Shanghai FR International Trading	EM Asia		99	August 2011
Prospect Technology	EM Asia		142	August 2011
Amosdec SAS	TS EMEA		83	July 2011
Total		$	912	

Acquired Business	Group & Region	Approximate Annualized Revenues [1]		Acquisition Date
		(Millions)		
Fiscal 2011				
itX Group Ltd.	TS Asia	$	160	January 2011
Center Cell	EM Americas		5	November 2010
Eurotone	EM Asia		30	October 2010
Broadband	EM Americas		8	October 2010
Unidux	EM Asia		370	July 2010
Tallard Technologies	TS Americas		250	July 2010
Bell Microproducts Inc.	EM & TS Americas TS EMEA		3,021	July 2010
Total		$	3,844	

(1) Represents the approximate annual revenue for the acquired businesses' most recent fiscal year prior to acquisition by Avnet and based upon average foreign currency exchange rates for those periods.

Sales on an organic basis also include the effects of a divestiture of a small business in TS Asia in December 2012 and the exit of a small business in EM Americas in April 2013 that generated combined annual revenues of approximately $20 million.

Fiscal 2013 Comparison to Fiscal 2012

The table below provides the comparison of reported fiscal 2013 and 2012 sales for the Company and its operating groups to organic sales (as defined earlier in this MD&A) to allow readers to better assess and understand the Company's revenue performance by operating group.

	Sales as Reported		Acquisition/Divested Revenue		Organic Sales		2013 to 2012 Change
			(Dollars in millions)				
EM	$	15,094.4	$	148.4	$	15,242.8	(2.5)%
TS		10,364.5		153.8		10,518.3	(9.0)
Fiscal 2013	$	25,458.9	$	302.2	$	25,761.1	(5.3)
EM	$	14,933.1	$	707.6	$	15,640.7	
TS		10,774.4		789.2		11,563.6	
Fiscal 2012	$	25,707.5	$	1,496.8	$	27,204.3	

Consolidated sales for fiscal 2013 were $25.46 billion, a decrease of 1.0%, or $248.6 million, from the prior year consolidated sales of $25.71 billion. Organic sales (as defined earlier in this MD&A) decreased 5.3% year over year and declined 4.2% excluding the translation impact of changes in foreign currency exchange rates. The organic revenue decline was primarily due to the revenue decline at TS.

EM sales of $15.09 billion for fiscal 2013 increased 1.1% from the prior year sales of $14.93 billion. EM organic revenue in constant currency decreased 1.2% year over year primarily related to the Americas region, which (i) experienced weaker demand and (ii) exited the lower margin commercial components business. On a regional basis, the Americas organic revenue decreased 10.0% year over year primarily due to the decision to exit the lower margin commercial components business. For EMEA, despite the ongoing recessionary trends in the region organic revenue was relatively flat year over year in constant currency. Asia organic revenue increased 6.5% year over year, which was primarily due to higher revenue in the lower gross margin fulfillment business. The higher growth rate in Asia resulted in a regional shift in the mix of sales between the lower-margin Asia region and the higher-margin western regions, which negatively impacted both EM's consolidated gross profit and operating income margins.

TS sales of $10.36 billion for fiscal 2013 decreased 3.8% from the prior year sales of $10.77 billion. Organic revenue declined 8.3% year over year in constant dollars primarily due to weaker sales in the western regions. In the Americas region, year-over-year organic sales decreased 8.5%, and sales in EMEA decreased 11.7% in constant currency. On a product level, declines in servers and hardware were partially offset by growth in storage, services, and software.

Fiscal 2012 Comparison to Fiscal 2011

The table below provides the comparison of reported fiscal 2012 and 2011 sales for the Company and its operating groups to organic sales (as defined previously) to allow readers to better assess and understand the Company's revenue performance by operating group.

	Sales as Reported	Acquisition Sales	Organic Sales	2012 to 2011 Change
	(Dollars in millions)			
EM	$ 14,933.1	$ 211.2	$ 15,144.3	(6.3)%
TS	10,774.4	137.8	10,912.2	(1.7)
Fiscal 2012	$ 25,707.5	$ 349.0	$ 26,056.5	(4.4)
EM	$ 15,066.2	$ 1,092.3	$ 16,158.5	
TS	11,468.2	(365.4)	11,102.8	
Fiscal 2011	$ 26,534.4	$ 726.9	$ 27,261.3	

Consolidated sales for fiscal 2012 were $25.71 billion, a decrease of 3.1%, or $826.9 million, from the prior year consolidated sales of $26.53 billion. Organic sales (as defined earlier in this MD&A) decreased 4.4%, which was primarily due to a double-digit decline in the EMEA region in both operating groups.

EM sales of $14.93 billion for fiscal 2012 decreased 0.9% from the prior year sales of $15.07 billion. EM organic revenue in constant currency decreased 6.0% year over year due to the combination of exceptionally high growth in fiscal 2011 driven by the V-shaped recovery in electronic components, which led to negative organic growth in EM for fiscal 2012. On a regional basis, EMEA experienced double-digit, year-over-year revenue declines for both organic and reported revenue, as a result of weaker demand amid concerns surrounding economic conditions in Europe. Asia organic revenue declined 7.5 %, primarily due to slowing growth in China, and sales in the Americas were flat as compared with fiscal 2011.

TS sales of $10.77 billion for fiscal 2012 decreased 6.1% from the prior year sales of $11.47 billion. The year-over-year revenue decrease was due primarily to the Americas and EMEA regions, which were down 9.1% and 10.4%, respectively, partially offset by growth of 17.6% in Asia. Organic revenue decreased 1.7% year over year primarily due to EMEA, which decreased 12.7% and 11.4% in constant currency. The double-digit decline in EMEA was due to weaker demand in Europe due primarily to the macroeconomic environment previously mentioned. The organic decline in EMEA was mostly offset by an increase of 11.5% in Asia and 1.7% in the Americas. On a product level, software and services experienced strong double-digit growth year over year and storage, processors and other hardware also grew year over year.

Gross Profit and Gross Profit Margins

Consolidated gross profit in fiscal 2013 was $2.98 billion, a decrease of $70.8 million, or 2.3%, from the prior year and a decrease of 7.0% on an adjusted basis in constant currency. Gross profit margin of 11.7% decreased 17 basis points over the prior year. EM gross profit margin declined 52 basis points year over year primarily related to declines in gross margins in the EMEA region and a higher mix of revenues from the lower gross profit margin Asia region. The decline in EMEA gross margin was primarily due to the effects of market pressures associated with relatively short product lead times. With respect to regional mix, the Asia region contributed 38% of EM sales in the current year from 34% in the prior year, attributable to higher growth rates in Asia, the effects of the acquisition of Internix, Inc. in Japan, and lower growth rates in the western regions.TS gross profit margin improved 24 basis points year over year, primarily driven by the Americas and EMEA offset by a decrease in Asia. These increases were driven primarily by the revenue mix of higher margin products and services.

Consolidated gross profit in fiscal 2012 was $3.05 billion, a decrease of $57.2 million, or 1.8%, from the prior year and decreased 4.0% on an adjusted basis in constant currency. Gross profit margin of 11.9% improved 16 basis points over the prior year. EM gross profit margin was down 38 basis points year over year, with all three regions experiencing declines. The Americas region was impacted by the transfer of the lower gross margin Latin America commercial components business from TS Americas to EM Americas at the beginning of fiscal 2012. In addition, the regional mix of business was slightly more skewed to the lower margin regions in the current fiscal year as the higher gross margin EMEA region represented 28% of the overall EM revenue mix as compared with 32% in the prior year. TS gross profit margin improved 73 basis points year over year. The year-over-year improvement was driven by the western regions, particularly EMEA. The Americas region's gross profit margin benefited from the transfer of the Latin America business to EM as mentioned previously.

Selling, General and Administrative Expenses

Selling, general and administrative expenses ("SG&A expenses") were $2.20 billion in fiscal 2013, an increase of $111.5 million, or 5.3%, from the prior year. This increase consisted of (i) an increase of approximately $184.4 million related to expenses from businesses acquired and (ii) the effects of inflation and other factors, which increased the Company's SG&A expenses by an estimated $61.0 million, partially offset by (iii) a decrease of approximately $100.0 million related to recent cost reduction actions, and (iv) a decrease of approximately $33.9 million related to the translation impact of changes in foreign currency exchange rates. Metrics that management monitors with respect to its operating expenses are SG&A expenses as a percentage of sales and as a percentage of gross profit. In fiscal 2013, SG&A expenses as a percentage of sales were 8.7% and were 74.0% as a percentage of gross profit as compared with 8.1% and 68.6%, respectively, in fiscal 2012. SG&A expenses as a percentage of gross profit at EM increased 541 basis points year over year, also due to the effects of recent acquisitions as the related cost savings have not yet been fully attained and due to declines in total gross profit dollars relative to operating expenses. SG&A expenses as a percentage of gross profit at TS increased 360 basis points year over year due primarily to the effects of the decrease in revenues as previously described and, to a lesser extent, the effects of recent acquisitions as certain cost synergies have not yet been attained, in particular in EMEA, and which are not expected to be fully achieved for several quarters while the integration work is in process.

SG&A expenses were $2.09 billion in fiscal 2012, essentially flat from the prior year, decreasing $7.8 million. The decrease in SG&A expenses was primarily a result of (i) approximately $51 million related to a decrease in expenses for the existing business due primarily to cost reduction actions taken and a decrease in variable expenses related to the revenue decline; (ii) approximately $6 million related to a decrease due to the translation impact of changes in foreign currency exchange rates, partially offset by (iii) an increase of approximately $49.0 million related to expenses from businesses acquired. In fiscal 2012, SG&A expenses as a percentage of sales were 8.1% and were 68.6% as a percentage of gross profit as compared with 7.9% and 67.6%, respectively, in fiscal 2011.

Restructuring, Integration and Other Charges

Fiscal 2013

During fiscal 2013, the Company continued to take certain actions to reduce costs in both operating groups in response to market conditions and incurred acquisition and integration costs associated with acquired businesses during the fiscal year. As a result, the Company recorded restructuring, integration and other charges of $149.5 million. Restructuring charges of $120.0 million consisted of $73.3 million for severance, $34.4 million for facility exit costs and fixed asset write-downs, and $12.3 million for other restructuring charges, including a $6.6 million loss related to the write-down of the net assets and goodwill related to the exit of a non-integrated business in the EM Americas region. Integration costs were $35.7 million, of which $8.8 million related to the exit of two multi-employer pension plans associated with acquired entities in Japan. Acquisition related charges and adjustments were a credit of $3.2 million, consisting primarily of the reversal of an earn-out liability of $11.2 million for which payment is no longer expected to be incurred. The Company recorded a credit of $3.1 million to adjust reserves related to prior year restructuring activity that were no longer required. The tax-effected impact of restructuring, integration, and other charges was $116.4 million and $0.83 per share on a diluted basis.

Severance charges recorded in fiscal 2013 related to the reduction of over 1,600 employees in sales and business support functions in connection with the cost reduction actions taken in all three regions in both operating groups with employee reductions of approximately 1,100 in EM, 400 in TS and 150 in business support functions. Facility exit costs for vacated facilities related to 32 facilities in the Americas, 26 in EMEA and 11 in the Asia region, and consisted of reserves for remaining lease liabilities for exited facilities and the write-down of the related fixed assets.

Integration costs incurred were related to the integration of acquired businesses and incremental costs incurred as part of the consolidation and closure of certain office and warehouse locations. Integration costs included IT consulting costs for system integration assistance, facility moving costs, legal fees, travel, meeting, marketing and communication costs that were incrementally incurred as a result of the integration activity. Also, included in integration costs are incremental salary costs associated with the consolidation and closure activities, as well as costs associated with acquisition activity, primarily related to the acquired businesses' personnel who were retained by Avnet following the close of the acquisitions solely to assist in the integration of the acquired businesses' IT systems and administrative and logistics operations into those of Avnet. These identified personnel have no other meaningful day-to-day operational responsibilities outside of the integration effort. Acquisition transaction costs consisted primarily of professional fees for due diligence work and other legal costs associated with the transaction, along with the gain from the reversal earn-out liability previously described.

Fiscal 2012

During fiscal 2012, the Company took certain actions to reduce costs in both operating groups in response to market conditions and incurred acquisition and integration costs associated with acquired businesses during the fiscal year. As a result, the Company recorded restructuring, integration and other charges of $73.6 million. Restructuring charges of $50.3 million consisted of $33.2 million for severance, $12.0 million for facility exit costs and fixed asset write-downs, and $5.1 million for other restructuring charges, primarily other lease obligations that have no ongoing benefit to the Company. Integration costs and acquisition transaction costs were $9.4 million and $10.6 million, respectively. The Company recorded a credit of $3.3 million to adjust reserves related to prior year restructuring activity that were no longer required. In addition, the Company recorded $6.7 million for (i) a legal claim associated with an acquired business and a potential royalty claim related to periods prior to acquisition by Avnet and (ii) a legal claim associated with an indemnification of a prior divested business. The tax-effected impact of restructuring, integration and other charges was $53.0 million and $0.35 per share on a diluted basis

Severance charges recorded in fiscal 2012 related to the reduction of over 800 employees in sales, administrative and finance functions in connection with the cost reduction actions taken in all three regions in both operating groups with employee reductions of approximately 480 in EM and 320 in TS. Facility exit costs for vacated facilities related to 12 facilities in the Americas, 5 in EMEA and 13 in the Asia region and consisted of reserves for remaining lease liabilities and the write-down of leasehold improvements and other fixed assets.

Fiscal 2011

During fiscal 2011, the Company recognized restructuring, integration and other charges of $77.2 million associated primarily with the integration of the acquired Bell business. Restructuring costs included $28.6 million for severance and $17.3 million for facility exit costs for lease liabilities, fixed asset write-downs and other related charges associated with vacated facilities and $1.8 million for other charges. Integration costs were $25.1 million and acquisition transactions costs were $15.6 million. In addition, the Company recorded a reversal of $11.3 million related to (i) the reversal of restructuring reserves established in prior years that were deemed no longer required, (ii) acquisition adjustments for which the purchase allocation period had closed and (iii) exit-related reserves originally established through goodwill in prior years that were deemed no longer required and were credited to the consolidated statement of operations rather than to goodwill because the associated goodwill was impaired in fiscal 2009. The tax-effected impact of restructuring, integration, and other charges was $56.2 million and $0.36 per share on a diluted basis

Severance charges recorded in fiscal 2011 related to personnel reductions of over 550 employees in administrative, finance and sales functions primarily in connection with the integration of the acquired Bell business into the existing EM Americas, TS Americas and TS EMEA regions and, to a lesser extent, other cost reduction actions in other regions. Facility exit costs consisted of lease liabilities, fixed asset write-downs and other related charges associated with 50 vacated facilities: 23 in the Americas, 25 in EMEA and two in the Asia region. Total amounts utilized during fiscal 2012 consisted of $12.1 million in cash payments and $3.2 million related to adjustments to reserves and foreign currency translation.

Operating Income

During fiscal 2013, the Company generated operating income of $626.0 million, representing a 29.2% decline as compared with prior year operating income of $884.2 million. Consolidated operating income margin was 2.5% as compared with 3.4% in the prior year. Both periods included restructuring, integration and other charges as described in *Restructuring, Integration and Other Charges*, above. Excluding these charges from both periods, operating income was $775.5 million, or 3.0% of sales, in fiscal 2013 as compared with $957.8 million, or 3.7% of sales, in the prior year. EM operating income of $624.0 million decreased 17.0% year over year and operating income margin decreased 90 basis points year over year to 4.1%. The decline in EM operating income margin was primarily due to lower gross profit margin as previously mentioned, resulting in lower profitability in the western regions, offset partially by the benefits of cost reduction actions taken. TS operating income of $278.4 million decreased 12.8% year over year and operating income margin decreased 27 basis points to 2.7% due primarily to the effects of the decline in revenue, as previously described and, to a lesser extent, the effects of recent acquisitions as certain cost synergies have not yet been attained, in particular in EMEA, and which are not expected to be fully achieved for several quarters while the integration work is in process. Corporate operating expenses were $126.9 million in fiscal 2013 as compared with $112.9 million in fiscal 2012.

During fiscal 2012, the Company generated operating income of $884.2 million, down 4.9%, as compared with $930.0 million in the prior year. Consolidated operating income margin was 3.4% as compared with 3.5% in the prior year. Both periods included restructuring, integration and other charges as described in *Restructuring, Integration and Other Charges* above. Excluding these charges from both periods, operating income was $957.8 million, or 3.7% of sales, in fiscal 2012 as compared with $1.01 billion, or 3.8% of sales, in the prior year. EM operating income of $751.4 million was down 9.7% year over year. While EM's operating income margin remained within management's target range of 5.0% to 5.5%, it declined 50 basis points year over year to 5.0%. This decline in EM operating income margin was primarily due to the negative operating leverage, particularly in EMEA related to the year-over-year decline in sales in fiscal 2012 due to macroeconomic conditions in the region as compared with the positive operating leverage during fiscal 2011 due to the particularly strong sales growth in fiscal 2011. In addition, lower operating income margin in EM Asia, due to economic slowing in China, also contributed to EM's overall decline in operating income margin. The decline at EM was somewhat mitigated by the benefits from cost reduction actions taken in response to business conditions. TS operating income of $319.3 million increased 11.4% year over year and operating income margin increased 46 basis points to 3.0% primarily due to improvement in the western regions, which was driven by the combination of higher gross profit margins and the benefits from restructuring initiatives. Corporate operating expenses were $112.9 million in fiscal 2012 as compared with $112.0 million in fiscal 2011.

Interest Expense and Other Income (Expense), net

Interest expense for fiscal 2013 was $107.7 million, an increase of $16.8 million, or 18.5%, compared with the prior year. The increase in interest expense was primarily due to higher average debt balances and incremental interest expense related to the 4.875% Notes issued during the second quarter of fiscal 2013, the proceeds of which were used to repay the short-term debt, which had lower interest rates. See *Financing Transactions* for further discussion of the Company's outstanding debt.

Interest expense for fiscal 2012 was $90.9 million, down $1.6 million, or 1.7%, compared with the prior year. The year-over-year decrease in interest expense was due to (i) the pay off of $104.4 million of 3.75% convertible debt in March 2011 and (ii) lower interest expense incurred under foreign bank credit facilities as compared with the prior year.

During fiscal 2013, the Company recognized $0.1 million of other expense as compared with $5.4 million in the prior year. The year-over-year increase in other income is attributable to a reduction in foreign currency exchange losses in the current year. Included in other income for fiscal 2013 is a gain on sale of marketable securities partially offset by a loss due to the devaluation of the Venezuelan currency.

During fiscal 2012, the Company recognized $5.4 million of other expense as compared with other income of $10.7 million in the prior year. The year-over-year increase in other expense was due primarily to foreign exchange losses in fiscal 2012 compared with foreign currency exchange gains in the prior year.

Gain on Bargain Purchase and Other

During fiscal 2013, the Company recognized a gain on bargain purchase and other of $31.0 million pre-tax, which consisted of (i) a gain on bargain purchase related to the acquisition of Internix of $32.7 million pre- and after tax and $0.23 per share on a diluted basis, which was partially offset by (ii) a loss of $1.7 million pre-tax and after tax and $0.01 per share on a diluted basis as a result of the divestiture of a small business in the TS Asia region.

During fiscal 2012, the Company recognized a gain on bargain purchase of $4.3 million pre- and after tax and $0.03 per share on a diluted basis. In January 2012, the Company acquired Unidux Electronics Limited, a Singapore publicly traded company, through a tender offer. After assessing the assets acquired and liabilities assumed, the consideration paid was below the fair value of the acquired net assets and, as a result, the Company recognized the gain. In addition, the Company recognized other charges of $1.4 million pre-tax, $0.9 million after tax and $0.01 per share on a diluted basis related to the write-down of an investment in a small technology company and the write-off of certain deferred financing costs associated with the early termination of a credit facility (see *Financing Transactions* for further discussion).

During fiscal 2011, the Company acquired Unidux, a Japanese publicly traded company, through a tender offer. After reassessing all assets acquired and liabilities assumed, the consideration paid was below the fair value of the acquired net assets and, as a result, the Company recognized a gain on bargain purchase of $31.0 million pre- and after tax and $0.20 per share on a diluted basis. In addition, the Company recognized other charges of $2.0 million pre-tax, $1.4 million after tax and $0.01 per share on a diluted basis primarily related to an impairment of buildings in EMEA and recognized a loss of $6.3 million pre-tax, $3.9 million after tax and $0.02 per share on a diluted basis related to the write-down of prior investments in smaller technology start-up companies.

Income Tax Provision

Avnet’s effective tax rate on income before income taxes was 18.1% in fiscal 2013 as compared with an effective tax rate of 28.3% in fiscal 2012. Included in the fiscal 2013 effective tax rate is a net tax benefit of $50.4 million, which is comprised of (i) a tax benefit of $41.6 million for the reversal of previously established valuation allowances against deferred tax assets that were now determined to be realizable, a portion of which related to a legal entity in EMEA (discussed further below), (ii) net favorable audit settlements resulting in a benefit of $33.2 million, partially offset by (iii) a tax provision of $24.4 million primarily related to the establishment of a valuation allowance against deferred tax assets that were determined to be unrealizable during fiscal 2013. The fiscal 2013 effective tax rate is lower than the fiscal 2012 effective tax rate primarily due to a favorable impact from audit settlements and, to a lesser extent, the amount of the valuation allowance released in fiscal 2013 (as discussed further below) as compared with the amount released in fiscal 2012 due to the reduced level of income and mix of income in the current year. In fiscal 2012, withholding tax related to legal entity reorganization resulted in an increase to the rate that does not exist in the current year.

Prior to fiscal 2011, the Company established a full valuation allowance against significant deferred tax assets related to a legal entity in EMEA due to, among several other factors, a history of losses in that entity. Since fiscal 2011, the Company determined a portion of the valuation allowance related to this entity was no longer required due to the expected continuation of improved earnings in the foreseeable future and, as a result, the Company's effective tax rate was positively impacted (decreased) upon the release of the valuation allowance. In fiscal 2013 and 2012, the valuation allowance released associated with this EMEA legal entity was $27.1 million and $22.1 million, respectively, net of the U.S. tax expense associated with the release. The Company will continue to evaluate the need for a valuation allowance against these tax assets and will adjust the valuation allowance as deemed appropriate which, when adjusted, will result in an impact to the effective tax rate. Factors that are considered in such an evaluation include historic levels of income, expectations and risk associated with estimates of future taxable income and ongoing prudent and feasible tax planning strategies. Excluding the benefit in both fiscal years related to the release of the tax valuation allowance associated with the EMEA legal entity, the effective tax rate for fiscal 2013 would have been 23.0% as compared with 31.1% for fiscal 2012.

Avnet’s effective tax rate on income before income taxes was 28.3% in fiscal 2012; compared with an effective tax rate of 23.2% in fiscal 2011. The fiscal 2012 effective tax rate is higher than the fiscal 2011 effective tax rate primarily due to a lower amount of valuation allowance released in fiscal 2012 as compared with fiscal 2011, and, to a lesser extent, a more favorable impact from audit settlements and changes to existing tax positions in fiscal 2012 as compared with fiscal 2011. These favorable impacts were partially offset by withholding tax in fiscal 2012.

Avnet's effective tax rate is primarily a function of the tax rates in the numerous jurisdictions in which it does business applied to the mix of pre-tax book income. The effective tax rate may vary year over year as a result of changes in tax requirements in these jurisdictions, management's evaluation of its ability to generate sufficient taxable income to offset net operating loss carry-forwards and the establishment of reserves for unfavorable outcomes of tax positions taken on certain matters that are common to multinational enterprises and the actual outcome of those matters.

Net Income

As a result of the factors described in the preceding sections of this MD&A, the Company’s net income in fiscal 2013 was $450.1 million, or $3.21 per share on a diluted basis, compared with net income of $567.0 million, or $3.79 per share on a diluted basis, in fiscal 2012 and $669.1 million, or $4.34 per share on a diluted basis, in fiscal 2011.

Fiscal 2013, 2012 and 2011 results were impacted by certain items as presented in the following tables:

	Year Ended June 29, 2013			
	Operating Income (Loss)	Pre-tax Income (Loss)	Net Income (Loss)	Diluted EPS
	(Thousands, except per share data)			
Restructuring, integration and other charges	$ (149,501)	$ (149,501)	$ (116,382)	$ (0.83)
Gain on bargain purchase and other	—	31,011	30,974	0.22
Net tax benefit	—	—	50,376	0.36
Total	$ (149,501)	$ (118,490)	$ (35,032)	$ (0.25)

	Year Ended June 30, 2012			
	Operating Income (Loss)	Pre-tax Income (Loss)	Net Income (Loss)	Diluted EPS
	(Thousands, except per share data)			
Restructuring, integration and other charges	$ (73,585)	$ (73,585)	$ (52,963)	$ (0.35)
Gain on bargain purchase and other	—	2,918	3,463	0.02
Net tax benefit	—	—	8,616	0.06
Total	$ (73,585)	$ (70,667)	$ (40,884)	$ (0.27)

	Year Ended July 2, 2011			
	Operating Income (Loss)	Pre-tax Income (Loss)	Net Income (Loss)	Diluted EPS
	(Thousands, except per share data)			
Restructuring, integration and other charges	$ (77,176)	$ (77,176)	$ (56,169)	$ (0.36)
Gain on sale of assets	—	22,715	25,720	0.17
Release of tax valuation allowance, net of tax reserves adjustments	—	—	32,901	0.21
Total	$ (77,176)	$ (54,461)	$ 2,452	$ 0.02

Liquidity and Capital Resources

Cash Flows

Cash Flows from Operating Activities

The Company generated $696.2 million of cash from operating activities in fiscal 2013 as compared with $528.7 million in fiscal 2012. These results are comprised of: (i) cash flow generated from net income excluding non-cash and other reconciling items, which includes the add-back to net income of depreciation and amortization, deferred income taxes, stock-based compensation and other non-cash items (primarily the provision for doubtful accounts and periodic pension costs) and (ii) cash flow used for working capital, excluding cash and cash equivalents. Cash generated by working capital changes was $47.5 million during fiscal 2013, resulting from a decrease in inventory of $225.7 million, partially offset by a decrease in accounts payable and accrued expenses and other of $78.8 million and $5.2 million, respectively, and an increase in accounts receivable of $94.2 million. Net days outstanding, in particular, receivable days, has not changed significantly as there has not been any significant change in terms provided to customers nor are customers changing their payment patterns.

During fiscal 2012, the Company generated $528.7 million of cash from operating activities as compared with $278.1 million in fiscal 2011. Cash generated by working capital in fiscal 2012 resulted from a decrease in accounts receivable and inventory of $72.3 million and $133.2 million, respectively, offset by a decrease in accounts payable of $319.1 million and in accrued expenses and other of $136.9 million. Cash used for working capital during fiscal 2011 consisted of growth in accounts receivable and inventory of $421.5 million and $321.9 million, respectively, partially offset by an increase in accounts payable of $165.2 million.

Cash Flows from Financing Activities

During fiscal 2013, the Company repaid $490.9 million under the accounts receivable securitization program and its revolving credit facility, a portion of which was funded by the issuance of $350 million of 4.875% Notes due December 1, 2022. In addition, during fiscal 2013, the Company used $207.2 million of cash to repurchase common stock under the $750.0 million share repurchase program authorized by the Board of Directors in August 2012 (see *Item 5. Market for Registrants' Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities* in this Form 10-K).

During fiscal 2012, the Company received proceeds of $595.8 million, primarily from borrowings under the accounts receivable securitization program and bank credit facilities. In addition, during fiscal 2012, the Company used $318.3 million of cash to repurchase common stock under the Company's share repurchase program.

During fiscal 2011, the Company received proceeds of $160.0 million from borrowings under the accounts receivable securitization program and repaid $109.6 million for the 3.75% Notes acquired in the Bell acquisition which were tendered during fiscal 2011. The Company also received proceeds of $8.9 million, net of repayments, related to its revolving credit facility and other debt.

Other financing activities, net, during fiscal 2013, 2012 and 2011 were primarily a result of cash received for the exercise of stock options and the associated excess tax benefit.

Cash Flows from Investing Activities

During fiscal 2013, the Company used $262.3 million of cash for acquisitions, net of cash acquired, and $97.4 million for capital expenditures primarily related to system development costs and computer hardware and software purchases. Also during fiscal 2013, the Company received $3.6 million, net of cash divested, for an earn-out payment associated with a divestiture completed in a prior year and a small divestiture in TS Asia.

During fiscal 2012, the Company used $313.2 million of cash for acquisitions, net of cash acquired, and $128.7 million for capital expenditures primarily related to system development costs and computer hardware and software purchases.

During fiscal 2011, the Company used $691.0 million of cash for acquisitions, net of cash acquired, and $148.7 million for capital expenditures primarily related to system development costs and computer hardware and software expenditures. Also during fiscal 2011, the Company received $19.1 million of proceeds associated with a divestiture and $10.6 million of proceeds from the sale of fixed assets.

Capital Structure

The Company uses a variety of financing arrangements, both short-term and long-term, to fund its operations in addition to funds generated from cash flow from operations. The Company also uses diversified sources of funding so that it does not become overly dependent on one source and to achieve lower cost of funding through these different alternatives. These financing arrangements include public bonds, short-term and long-term bank loans and an accounts receivable securitization program. For a detailed description of the Company's external financing arrangements outstanding at June 29, 2013, refer to Note 7 to the consolidated financial statements appearing in Item 15 of this Report.

The following table summarizes the Company's capital structure as of the end of fiscal 2013 with a comparison with the end of fiscal 2012:

	June 29, 2013	% of Total Capitalization	June 30, 2012	% of Total Capitalization
	(Dollars in thousands)			
Short-term debt	$ 838,190	13.2%	$ 872,404	14.4%
Long-term debt	1,206,993	19.1	1,271,985	21.0
Total debt	2,045,183	32.3	2,144,389	35.4
Shareholders' equity	4,289,125	67.7	3,905,732	64.6
Total capitalization	$ 6,334,308	100.0	$ 6,050,121	100.0

Financing Transactions

The Company has a five-year $1.0 billion senior unsecured revolving credit facility (the "2012 Credit Facility") with a syndicate of banks, which expires in November 2016. In connection with the 2012 Credit Facility, the Company terminated its existing unsecured $500.0 million credit facility (the "2008 Credit Facility"), which was to expire in September 2012. Under the 2012 Credit Facility, the Company may elect from various interest rate options, currencies and maturities. As of the end of fiscal 2013, there were $6.7 million in borrowings outstanding under the 2012 Credit Facility included in "long-term debt" in the consolidated financial statements. In addition, there were $2.3 million in letters of credit issued under the 2012 Credit Facility, which represents a utilization of the 2012 Credit Facility capacity but is not recorded in the consolidated balance sheet as the letters of credit are not debt. As of June 30, 2012, there were $110.1 million in borrowings outstanding included in "long-term debt" in the consolidated financial statements and $17.2 million in letters of credit issued.

In August 2012, the Company amended its accounts receivable securitization program (the "Securitization Program" or "Program") with a group of financial institutions to allow the Company to sell, on a revolving basis, an undivided interest of up to $800.0 million ($750.0 million prior to the amendment) in eligible receivables while retaining a subordinated interest in a portion of the receivables. The Program does not qualify for sale treatment and, as a result, any borrowings under the Program are recorded as debt on the consolidated balance sheet. The Program contains certain covenants, all of which the Company was in compliance with as of June 29, 2013. The Program has a one-year term that expires at the end of August 2013, which is expected to be renewed for another year on comparable terms. There were $360.0 million in borrowings outstanding under the Program at June 29, 2013 and $670.0 million outstanding at June 30, 2012.

Notes outstanding at June 29, 2013 consisted of:

- $300.0 million of 5.875% Notes due March 15, 2014 (reflected as short-term debt)
- $250.0 million of 6.00% Notes due September 1, 2015
- $300.0 million of 6.625% Notes due September 15, 2016
- $300.0 million of 5.875% Notes due June 15, 2020
- $350.0 million of 4.875% Notes due December 1, 2022

In addition to its primary financing arrangements, the Company has $180.3 million of debt outstanding with foreign financial institutions and several small lines of credit in various locations to fund the short-term working capital, foreign exchange, overdraft and letter of credit needs of its wholly owned subsidiaries in EMEA, Asia and Canada. Avnet generally guarantees its subsidiaries' obligations under these facilities.

Covenants and Conditions

The Securitization Program requires the Company to maintain certain minimum interest coverage and leverage ratios in order to continue utilizing the Program. The Program also contains certain covenants relating to the quality of the receivables sold. If these conditions are not met, the Company may not be able to borrow any additional funds and the financial institutions may consider this an amortization event, as defined in the agreement, which would permit the financial institutions to liquidate the accounts receivables sold to cover any outstanding borrowings. Circumstances that could affect the Company’s ability to meet the required covenants and conditions of the Program include the Company’s ongoing profitability and various other economic, market and industry factors. Management does not believe that the covenants under the Program limit the Company’s ability to pursue its intended business strategy or its future financing needs. The Company was in compliance with all covenants of the Program as of June 29, 2013.

The 2012 Credit Facility contains certain covenants with various limitations on debt incurrence, dividends, investments and capital expenditures and also includes financial covenants requiring the Company to maintain minimum interest coverage and leverage ratios. Management does not believe that the covenants in the 2012 Credit Facility limit the Company’s ability to pursue its intended business strategy or its future financing needs. The Company was in compliance with all covenants of the Credit Facility as of June 29, 2013.

See *Liquidity* below for further discussion of the Company’s availability under these various facilities.

Liquidity

As of June 29, 2013, the Company had total borrowing capacity of $1.80 billion under the 2012 Credit Facility and the Program. There were $6.7 million in borrowings outstanding and $2.3 million in letters of credit issued under the 2012 Credit Facility and $360.0 million outstanding under the Securitization Program resulting in $1.4 billion of net availability at the end of fiscal 2013. During fiscal 2013, the Company had an average daily balance outstanding under the 2012 Credit Facility of approximately $5.0 million and $570.0 million under the Securitization Program. During fiscal 2012, the Company had an average daily balance outstanding under the 2012 Credit Facility of approximately $115.0 million and $620.0 million under the Securitization Program.

The Company had cash and cash equivalents of $1.01 billion as of June 29, 2013, of which $918.4 million was held outside the U.S. As of June 30, 2012, the Company had cash and cash equivalents of $1.01 billion, of which $874.0 million was held outside of the U.S. Liquidity is subject to many factors, such as normal business operations as well as general economic, financial, competitive, legislative, and regulatory factors that are beyond the Company’s control. Cash balances generated and held in foreign locations are used for ongoing working capital, capital expenditures and to support acquisitions. These balances are currently expected to be permanently reinvested outside the U.S. If these funds were needed in the U.S., the Company would incur significant income taxes to repatriate cash held in foreign locations to the extent they are in excess of outstanding intercompany loans due to Avnet, Inc. from the foreign subsidiaries. In addition, local government regulations may restrict the Company’s ability to move funds among various locations under certain circumstances. Management does not believe such restrictions would limit the Company's ability to pursue its intended business strategy.

During fiscal 2013, the Company utilized $262.3 million of cash, net of cash acquired, for acquisitions. The Company expects to continue to make strategic investments through acquisition activity to the extent the investments strengthen Avnet's competitive position and meet management's return on capital thresholds.

In addition to continuing to make investments in acquisitions, the Company may repurchase up to an aggregate of $750.0 million of the Company's common stock through a share repurchase program approved by the Board of Directors (as amended in August 2012). The Company plans to repurchase stock from time to time at the discretion of management, subject to strategic considerations, market conditions and other factors. The Company may terminate or limit the stock repurchase program at any time without prior notice. The timing and actual number of shares purchased will depend on a variety of factors such as price, corporate and regulatory requirements, and prevailing market conditions. Since the beginning of the repurchase program through the end of fiscal 2013, the Company repurchased 17.9 million shares at an average market price of $29.38 per share for total cost of $525.5 million. Shares repurchased were retired.

During periods of weakening demand in the electronic component and enterprise computer solutions industry, the Company typically generates cash from operating activities. Conversely, the Company is more likely to use operating cash flows for working capital requirements during periods of higher growth. During fiscal 2013, the Company generated $696.2 million in cash from operations as revenue declined 1.0% over the prior year. Management believes that Avnet's borrowing capacity, its current cash availability and the Company's expected ability to generate operating cash flows are sufficient to meet its projected financing needs.

The following table highlights the Company's liquidity and related ratios for the past two fiscal years:

COMPARATIVE ANALYSIS — LIQUIDITY

	Years Ended		
	June 29, 2013	**June 30, 2012**	**Percentage Change**
	(Dollars in millions)		
Current Assets	$ 8,356.9	$ 8,254.4	1.2 %
Quick Assets	5,878.3	5,614.2	4.7
Current Liabilities	4,821.4	4,798.7	0.5
Working Capital[(1)]	3,535.4	3,455.7	2.3
Total Debt	2,045.2	2,144.4	(4.6)
Total Capital (total debt plus total shareholders' equity)	6,334.3	6,050.1	4.7
Quick Ratio	1.2:1	1.2:1	
Working Capital Ratio	1.7:1	1.7:1	
Debt to Total Capital	32.3%	35.4%	

(1) This calculation of working capital is defined as current assets less current liabilities.

The Company's quick assets (consisting of cash and cash equivalents and receivables) increased 4.7% from June 30, 2012 to June 29, 2013 primarily due to an increase in receivables as a result of the change in foreign currency exchange spot rates at June 30, 2012 and the year-over-year decline in revenue. These factors, when combined with a decrease in inventory, led to an increase in current assets of 1.2%. Current liabilities increased 0.5% primarily due to an increase in accounts payable and accrued expenses, which was partially offset by a decrease in short-term borrowings. As a result of the factors noted above, total working capital increased by 2.3% during fiscal 2013. Total debt decreased by 4.6%, primarily due to the decrease in borrowings under the 2012 Credit Facility and the Securitization Program, total capital increased 4.7% and the debt to capital ratio decreased to 32.3%.

Long-Term Contractual Obligations

The Company has the following contractual obligations outstanding as of June 29, 2013 (in millions):

	Total	Due in Less Than 1 Year	Due in 1-3 Years	Due in 4-5 Years	Due After 5 Years
Long-term debt, including amounts due within one year[(1)]	$ 2,047.8	$ 838.2	$ 258.8	$ 300.4	$ 650.4
Interest expense on long-term notes[(2)]	$ 378.5	$ 84.0	$ 127.3	$ 73.5	$ 93.7
Operating leases	$ 272.2	$ 86.1	$ 100.1	$ 47.6	$ 38.4

(1) Excludes discount on long-term notes.

(2) Represents interest expense due on long-term notes with fixed interest rates and variable debt assuming the same interest rate as at June 29, 2013.

At June 29, 2013, the Company had a liability for income tax contingencies of $123.9 million, which is not included in the above table. Cash payments associated with the settlement of these liabilities that are expected to be paid within the next 12 months is $16.3 million. The Company does not currently have any material commitments for capital expenditures.

Critical Accounting Policies

The Company's consolidated financial statements have been prepared in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. These estimates and assumptions are based upon the Company's continuous evaluation of historical results and anticipated future events. Actual results may differ from these estimates under different assumptions or conditions.

The Securities and Exchange Commission defines critical accounting policies as those that are, in management's view, most important to the portrayal of the Company's financial condition and results of operations and that require significant judgments and estimates. Management believes the Company's most critical accounting policies relate to:

Valuation of Receivables

The Company maintains an allowance for doubtful accounts for estimated losses resulting from customer defaults. Bad debt reserves are recorded based upon historic default averages as well as the Company's regular assessment of the financial condition of its customers. Therefore, if collection experience or the financial condition of specific customers were to change, management would evaluate whether additional adjustments are required.

Valuation of Inventories

Inventories are recorded at the lower of cost (first in — first out) or estimated market value. The Company's inventories include high-technology components, embedded systems and computing technologies sold into rapidly changing, cyclical and competitive markets wherein such inventories may be subject to technological obsolescence.

The Company regularly evaluates inventories for excess, obsolescence or other factors that may render inventories less marketable. Write-downs are recorded so that inventories reflect the approximate net realizable value and take into account the Company's contractual provisions with its suppliers, which may provide certain protections to the Company for product obsolescence and price erosion in the form of rights of return and price protection. Because of the large number of transactions and the complexity of managing the process around price protections and stock rotations, estimates are made regarding adjustments to the carrying amount of inventories. Additionally, assumptions about future demand, market conditions and decisions to discontinue certain product lines can impact the decision to write-down inventories. If assumptions about future demand change or actual market conditions are less favorable than those projected by management, management would evaluate whether additional write-downs of inventories are required. In any case, actual values could be different from those currently estimated.

Accounting for Income Taxes

Management's judgment is required in determining the provision for income taxes, deferred tax assets and liabilities and the valuation allowance recorded against net deferred tax assets. The carrying value of the Company's net operating loss carry-forwards is dependent upon its ability to generate sufficient future taxable income in certain tax jurisdictions. In addition, the Company considers historic levels of income, expectations and risk associated with estimates of future taxable income and ongoing prudent and feasible tax planning strategies in assessing a tax valuation allowance. Should the Company determine that it is not able to realize all or part of its deferred tax assets in the future, an additional valuation allowance may be recorded against the deferred tax assets with a corresponding charge to income in the period such determination is made. Similarly, should the Company determine that it is able to realize all or part of its deferred tax assets that have been reserved for, the Company may release a valuation allowance with a corresponding benefit to income in the period such determination is made.

The Company establishes reserves for potentially unfavorable outcomes of positions taken on certain tax matters. These reserves are based on management's assessment of whether a tax benefit is more likely than not to be sustained upon examination by tax authorities. There may be differences between the anticipated and actual outcomes of these matters that may result in reversals of reserves or additional tax liabilities in excess of the reserved amounts. To the extent such adjustments are warranted, the Company's effective tax rate may potentially fluctuate as a result. In accordance with the Company's accounting policy, accrued interest and penalties, if any, related to unrecognized tax benefits are recorded as a component of income tax expense.

In determining the Company's effective tax rate, management considers current tax regulations in the numerous jurisdictions in which it operates, and exercises judgment for interpretation and application. Changes to such tax regulations or disagreements with the Company's interpretation or application by tax authorities in any of the Company's major jurisdictions may have a significant impact on the Company's provision for income taxes.

Restructuring, Integration and Impairment Charges

The Company has been subject to the financial impact of integrating acquired businesses and charges related to business reorganizations. In connection with such events, management is required to make estimates about the financial impact of such matters that are inherently uncertain. Accrued liabilities and reserves are established to cover the cost of severance, facility consolidation and closure, lease termination fees, inventory adjustments based upon acquisition-related termination of supplier agreements and/or the re-evaluation of the acquired working capital assets (inventory and accounts receivable), and write-down of other acquired assets including goodwill. Actual amounts incurred could be different from those estimated.

Additionally, in assessing goodwill for impairment, the Company is required to make significant assumptions about the future cash flows and overall performance of its reporting units. The Company is also required to make judgments regarding the evaluation of changes in events or circumstances that would more likely than not reduce the fair value of any of its reporting units below its carrying value, the results of which would determine whether an interim impairment test must be performed. Should these assumptions or judgments change in the future based upon market conditions or should the structure of the Company’s reporting units change based upon changes in business strategy, the Company may be required to perform an interim impairment test which may result in a goodwill impairment charge.

During fiscal 2013, 2012 and 2011, the Company performed its annual goodwill impairment test and determined there was no goodwill impairment in any of its reporting units. The Company does not believe there were any reporting units that were at risk of failing "step 1" of the goodwill impairment test. However, in fiscal 2013 there was one reporting unit for which the estimated fair value was not substantially in excess of the carrying value of the reporting unit. The percentage by which the estimated fair value exceeded carrying value was approximately 23% for TS Asia. As of June 29, 2013, TS Asia had approximately $54 million of allocated goodwill.

In order to estimate the fair value of its reporting units, the Company uses a combination of an income approach, specifically a discounted cash flow methodology, and a market approach. The discounted cash flow methodology includes assumptions for, among others, forecasted revenues, gross profit margins, operating profit margins, working capital cash flow, perpetual growth rates and long-term discount rates, all of which require significant judgments and estimates by management which are inherently uncertain. These assumptions, judgments and estimates may change in the future based upon market conditions or other events and could result in a goodwill impairment charge.

Contingencies and Litigation

From time to time, the Company may become a party to, or otherwise involved in, various lawsuits, claims, investigations and other legal proceedings in the ordinary course of conducting its business. While litigation is subject to inherent uncertainties, management does not anticipate that any current matters will have a material adverse impact on the Company’s financial condition, liquidity or results of operations.

Revenue Recognition

The Company does not consider revenue recognition to be a critical accounting policy due to the nature of its business because revenues are generally recognized when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the sales price is fixed or determinable and collectability is reasonably assured. Generally, these criteria are met upon the actual shipment of product to the customer. Accordingly, other than for estimates related to possible returns of products from customers, discounts or rebates, the recording of revenue does not require significant judgments or estimates.

Provisions for returns are estimated based on historical sales returns, credit memo analysis and other known factors. Provisions are made for discounts and rebates, which are primarily volume-based, and are generally based on historical trends and anticipated customer buying patterns. Finally, revenues from maintenance contracts, which are deferred and recognized in income over the life of the agreement, are not material to the consolidated results of operations of the Company.

The Company evaluates the criteria outlined in ASC Topic 605-45, *Principal Agent Considerations*, in determining whether it is appropriate to record the gross amount of revenue and related costs or the net amount (gross fees less related cost of sales or services) earned when acting as an agent for certain customers and suppliers. Generally, transactions that qualify for net accounting treatment consist of the sale of supplier service contracts for which the Company has no continuing involvement or the performance of logistics services to deliver product for which the Company is not the primary obligor.

Recently Issued Accounting Pronouncements

See Note 1 in the *Notes to Consolidated Financial Statements* contained in Item 15 of this Report for the discussion of recently issued accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The Company seeks to reduce earnings and cash flow volatility associated with changes in interest rates and foreign currency exchange rates by entering into financial arrangements, from time to time, which are intended to provide a hedge against all or a portion of the risks associated with such volatility. The Company continues to have exposure to such risks to the extent they are not hedged.

The following table sets forth the scheduled maturities of the Company's debt outstanding at June 29, 2013 (dollars in millions):

	Fiscal Year						
	2014	**2015**	**2016**	**2017**	**2018**	**Thereafter**	**Total**
Liabilities:							
Fixed rate debt(1)	$ 361.2	$ 0.4	$ 250.4	$ 300.2	$ —	$ 650.4	$ 1,562.6
Floating rate debt	$ 477.0	$ 0.8	$ 7.2	$ 0.2	$ —	$ —	$ 485.2

(1) Excludes discounts on long-term notes.

The following table sets forth the carrying value and fair value of the Company's debt at June 29, 2013 (dollars in millions):

	Carrying Value at June 29, 2013	**Fair Value at June 29, 2013**	**Carrying Value at June 30, 2012**	**Fair Value at June 30, 2012**
Liabilities:				
Fixed rate debt(1)	$ 1,562.6	$ 1,645.1	$ 1,152.8	$ 1,285.6
Average interest rate	5.8%		6.1%	
Floating rate debt	$ 485.2	$ 485.2	$ 994.1	$ 994.1
Average interest rate	1.1%		1.5%	

(1) Excludes discounts on long-term notes. Fair value was estimated primarily based upon quoted market prices for the Company's long-term notes.

Many of the Company's subsidiaries, on occasion, purchase and sell products in currencies other than their functional currencies. This subjects the Company to the risks associated with fluctuations in foreign currency exchange rates. The Company reduces this risk by utilizing natural hedging (offsetting receivables and payables) as well as by creating offsetting positions through the use of derivative financial instruments, primarily forward foreign exchange contracts with maturities of less than sixty days. The Company continues to have exposure to foreign currency risks to the extent they are not hedged. The Company adjusts all foreign denominated balances and any outstanding foreign exchange contracts to fair market value through the consolidated statements of operations. Therefore, the market risk related to foreign exchange contracts is offset by changes in valuation of the underlying items being hedged. The asset or liability representing the fair value of foreign exchange contracts is classified in the captions "other current assets" or "accrued expenses and other," as applicable, in the accompanying consolidated balance sheets. A hypothetical 10% change in currency exchange rates under the contracts outstanding at June 29, 2013 would result in an increase or decrease of approximately $20.6 million to the fair value of the forward foreign exchange contracts, which would generally be offset by an opposite effect on the related hedged positions.

Item 8. Financial Statements and Supplementary Data

The financial statements and supplementary data are listed under Item 15 of this Report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the reporting period covered by this report on Form 10-K. Based on such evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report on Form 10-K, the Company's disclosure controls and procedures are effective such that material information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified by the Securities and Exchange Commission's rules and forms and is accumulated and communicated to management, including the Company's principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

During the fourth quarter of fiscal 2013, there were no changes to the Company's internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

The Company's management, including its Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Management conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of June 29, 2013. In making this assessment, management used the 1992 framework established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and concluded that the Company maintained effective internal control over financial reporting as of June 29, 2013.

The Company's independent registered public accounting firm, KPMG LLP, has audited the effectiveness of the Company's internal controls over financial reporting as of June 29, 2013, as stated in its audit report which is included herein.

Item 9B. Other Information

Not applicable.

PART III

Item 10. *Directors, Executive Officers and Corporate Governance*

The information called for by Item 10 is incorporated in this Report by reference to the Company's definitive proxy statement relating to the Annual Meeting of Stockholders anticipated to be held on November 8, 2013.

Item 11. *Executive Compensation*

The information called for by Item 11 is incorporated in this Report by reference to the Company's definitive proxy statement relating to the Annual Meeting of Stockholders anticipated to be held on November 8, 2013.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information called for by Item 12 is incorporated in this Report by reference to the Company's definitive proxy statement relating to the Annual Meeting of Stockholders anticipated to be held on November 8, 2013.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information called for by Item 13 is incorporated in this Report by reference to the Company's definitive proxy statement relating to the Annual Meeting of Shareholders anticipated to be held on November 8, 2013.

Item 14. *Principal Accounting Fees and Services*

The information called for by Item 14 is incorporated in this Report by reference to the Company's definitive proxy statement relating to the Annual Meeting of Stockholders anticipated to be held on November 8, 2013.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

a. The following documents are filed as part of this Report:

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AVNET, INC.
(Registrant)

By: /s/ RICHARD HAMADA
Richard Hamada
Chief Executive Officer and Director

Date: August 9, 2013

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby authorizes and appoints each of Richard Hamada and Kevin Moriarty his or her attorneys-in-fact, for him or her in any and all capacities, to sign any amendments to this Report, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorneys-in-fact, or their substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on August 9, 2013.

Signature	Title
/s/ RICHARD HAMADA Richard Hamada	Chief Executive Officer and Director (Principal Executive Officer)
/s/ WILLIAM H. SCHUMANN, III William H. Schumann, III	Chairman of the Board and Director
/s/ J. VERONICA BIGGINS J. Veronica Biggins	Director
/s/ MICHAEL A. BRADLEY Michael A. Bradley	Director
/s/ R. KERRY CLARK R. Kerry Clark	Director
/s/ JAMES A. LAWRENCE James A. Lawrence	Director
/s/ FRANK R. NOONAN Frank R. Noonan	Director
/s/ RAY M. ROBINSON Ray M. Robinson	Director
/s/ WILLIAM P. SULLIVAN William P. Sullivan	Director
/s/ KEVIN MORIARTY Kevin Moriarty	Chief Financial Officer (Principal Financial and Accounting Officer)

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Avnet, Inc.:

We have audited the accompanying consolidated balance sheets of Avnet, Inc. and subsidiaries (the Company) as of June 29, 2013 and June 30, 2012, and the related consolidated statements of operations, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended June 29, 2013. In connection with our audits of the consolidated financial statements, we have also audited the financial statement schedule for each of the years in the three-year period ended June 29, 2013, as listed in the accompanying index. We also have audited the Company's internal control over financial reporting as of June 29, 2013, based on the 1992 criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on these consolidated financial statements, an opinion on the financial statement schedule and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Avnet, Inc. and subsidiaries as of June 29, 2013 and June 30, 2012, and the results of their operations and their cash flows for each of the years in the three-year period ended June 29, 2013, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the related financial statement schedule for each of the years in the three-year period ended June 29, 2013, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein. Furthermore, in our opinion, Avnet, Inc. maintained, in all material respects, effective internal control over financial reporting as of June 29, 2013, based on the 1992 criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

/s/ KPMG LLP

Phoenix, Arizona
August 9, 2013

AVNET, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	June 29, 2013	June 30, 2012
	(Thousands, except share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,009,343	$ 1,006,864
Receivables, less allowances of $95,656 and $106,319, respectively (Note 3)	4,868,973	4,607,324
Inventories	2,264,341	2,388,642
Prepaid and other current assets	214,221	251,609
Total current assets	8,356,878	8,254,439
Property, plant and equipment, net (Note 5)	492,606	461,230
Goodwill (Notes 2 and 6)	1,261,288	1,100,621
Other assets	363,908	351,576
Total assets	$ 10,474,680	$ 10,167,866
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Borrowings due within one year (Notes 3 and 7)	$ 838,190	$ 872,404
Accounts payable	3,278,152	3,230,765
Accrued expenses and other (Note 8)	705,102	695,483
Total current liabilities	4,821,444	4,798,652
Long-term debt (Note 7)	1,206,993	1,271,985
Other long-term liabilities (Notes 9 and 10)	157,118	191,497
Total liabilities	6,185,555	6,262,134
Commitments and contingencies (Notes 11 and 13)		
Shareholders' equity (Notes 4, 12 and 14):		
Common stock $1.00 par; authorized 300,000,000 shares; issued 137,127,000 shares and 142,586,000 shares, respectively	137,127	142,586
Additional paid-in capital	1,320,901	1,263,817
Retained earnings	2,802,966	2,545,858
Accumulated other comprehensive income (loss) (Note 4)	28,895	(45,832)
Treasury stock at cost, 38,238 shares and 37,872 shares, respectively	(764)	(697)
Total shareholders' equity	4,289,125	3,905,732
Total liabilities and shareholders' equity	$ 10,474,680	$ 10,167,866

See notes to consolidated financial statements.

AVNET, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended		
	June 29, 2013	**June 30, 2012**	**July 2, 2011**
	(Thousands, except share amounts)		
Sales	$ 25,458,924	$ 25,707,522	$ 26,534,413
Cost of sales	22,479,123	22,656,965	23,426,608
Gross profit	2,979,801	3,050,557	3,107,805
Selling, general and administrative expenses	2,204,319	2,092,807	2,100,650
Restructuring, integration and other charges (Note 17)	149,501	73,585	77,176
Operating income	625,981	884,165	929,979
Other income (expense), net	(74)	(5,442)	10,724
Interest expense	(107,653)	(90,859)	(92,452)
Gain on bargain purchase and other (Note 2)	31,011	2,918	22,715
Income before income taxes	549,265	790,782	870,966
Income tax provision (Note 9)	99,192	223,763	201,897
Net income	$ 450,073	$ 567,019	$ 669,069
Net earnings per share (Note 14):			
Basic	$ 3.26	$ 3.85	$ 4.39
Diluted	$ 3.21	$ 3.79	$ 4.34
Shares used to compute earnings per share (Note 14):			
Basic	137,951	147,278	152,481
Diluted	140,003	149,553	154,337

See notes to consolidated financial statements.

AVNET, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Thousands)		
Net income	$ 450,073	$ 567,019	$ 669,069
Other comprehensive income, net of tax:			
Foreign currency translation adjustments	44,597	(370,415)	329,884
Pension liability adjustments	$ 30,130	$ (52,628)	$ 19,965
Total comprehensive income	$ 524,800	$ 143,976	$ 1,018,918

See notes to consolidated financial statements.

AVNET, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Years Ended June 29, 2013, June 30, 2012 and July 2, 2011

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Shareholders' Equity
			(Thousands)			
Balance, July 3, 2010	$ 151,874	$ 1,206,132	$ 1,624,441	$ 27,362	$ (692)	$ 3,009,117
Net income	—	—	669,069	—	—	669,069
Translation adjustments (Note 4)	—	—	—	329,884	—	329,884
Pension liability adjustment, net of tax of $12,022 (Notes 4,10 and 15)	—	—	—	19,965	—	19,965
Stock option and incentive programs, including related tax benefits of $4,689	961	27,077	—	—	(3)	28,035
Balance, July 2, 2011	152,835	1,233,209	2,293,510	377,211	(695)	4,056,070
Net income	—	—	567,019	—	—	567,019
Translation adjustments (Note 4)	—	—	—	(370,415)	—	(370,415)
Pension liability adjustment, net of tax of $32,382 (Notes 4,10 and 15)	—	—	—	(52,628)	—	(52,628)
Repurchase of common stock (Note 4)	(11,270)	—	(314,671)	—	—	(325,941)
Stock option and incentive programs, including related tax benefits of $4,442	1,021	30,608	—	—	(2)	31,627
Balance, June 30, 2012	142,586	1,263,817	2,545,858	(45,832)	(697)	3,905,732
Net income	—	—	450,073	—	—	450,073
Translation adjustments (Note 4)	—	—	—	44,597	—	44,597
Pension liability adjustment, net of tax of $19,062 (Notes 4,10 and 15)	—	—	—	30,130	—	30,130
Repurchases of common stock (Note 4)	(6,620)		(192,965)			(199,585)
Stock option and incentive programs, including related tax benefits of $4,110	1,161	33,291	—	—	(67)	34,385
Acquisition of non-controlling interest (Note 2)	—	23,793	—	—	—	23,793
Balance, June 29, 2013	$ 137,127	$ 1,320,901	$ 2,802,966	$ 28,895	$ (764)	$ 4,289,125

See notes to consolidated financial statements.

AVNET, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended		
	June 29, 2013	**June 30, 2012**	**July 2, 2011**
		(Thousands)	
Cash flows from operating activities:			
Net income	$ 450,073	$ 567,019	$ 669,069
Non-cash and other reconciling items:			
Depreciation and amortization	120,676	101,336	81,389
Deferred income taxes (Note 9)	(10,019)	11,782	15,966
Stock-based compensation (Note 12)	43,677	35,737	28,931
Gain on bargain purchase and other (Note 2)	(31,011)	(2,918)	(22,715)
Other, net (Note 15)	75,327	66,263	56,846
Changes in (net of effects from businesses acquired):			
Receivables	(94,203)	72,267	(421,457)
Inventories	225,667	133,178	(321,939)
Accounts payable	(78,834)	(319,094)	165,185
Accrued expenses and other, net	(5,156)	(136,852)	26,804
Net cash flows provided by operating activities	696,197	528,718	278,079
Cash flows from financing activities:			
(Repayments of) borrowings under accounts receivable securitization program, net (Note 3)	(310,000)	510,000	160,000
Issuance of notes in a public offering, net of issuance costs (Note 7)	349,258	—	—
Repayment of notes (Note 7)	—	—	(109,600)
(Repayments of) proceeds from bank debt, net (Note 7)	(179,861)	86,823	1,644
(Repayments of) proceeds from other debt, net (Note 7)	(1,080)	(1,007)	7,238
Repurchases of common stock (Note 4)	(207,192)	(318,333)	—
Other, net (Note 12)	4,792	5,590	3,930
Net cash flows (used for) provided by financing activities	(344,083)	283,073	63,212
Cash flows from investing activities:			
Purchases of property, plant and equipment	(97,379)	(128,652)	(148,707)
Cash proceeds from sales of property, plant and equipment	3,018	1,046	10,621
Acquisitions of operations and investments, net of cash acquired (Note 2)	(262,306)	(313,218)	(690,997)
Cash proceeds from divestiture activities (Note 2)	3,613	—	19,108
Net cash flows used for investing activities	(353,054)	(440,824)	(809,975)
Effect of exchange rate changes on cash and cash equivalents	3,419	(39,437)	51,916
Cash and cash equivalents:			
— increase (decrease)	2,479	331,530	(416,768)
— at beginning of year	1,006,864	675,334	1,092,102
— at end of year	$ 1,009,343	$ 1,006,864	$ 675,334

Additional cash flow information (Note 15)

See notes to consolidated financial statements.

1. Summary of significant accounting policies

Principles of consolidation — The accompanying consolidated financial statements include the accounts of the Company and all of its majority-owned and controlled subsidiaries. All intercompany accounts and transactions have been eliminated.

Cash and cash equivalents — The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Inventories — Inventories, comprised principally of finished goods, are stated at cost (first-in, first-out) or market, whichever is lower.

Investments — Investments in joint ventures and entities in which the Company has an ownership interest greater than 50% and exercises control over the venture are consolidated in the accompanying consolidated financial statements. Non-controlling interests in the years presented are not material and, as a result, are included in the caption "accrued expenses and other" in the accompanying consolidated balance sheets. Investments in joint ventures and entities in which the Company exercises significant influence but not control are accounted for using the equity method. The Company invests from time to time in ventures in which the Company's ownership interest is less than 20% and over which the Company does not exercise significant influence. Such investments are accounted for using the cost method. The fair values for investments not traded on a quoted exchange are estimated based upon the historical performance of the ventures, the ventures' forecasted financial performance and management's evaluation of the ventures' viability and business models. To the extent the book value of an investment exceeds its assessed fair value, the Company will record an appropriate impairment charge. Thus, the carrying value of the Company's investments approximates fair value.

Depreciation and amortization — Depreciation and amortization is generally provided for by the straight-line method over the estimated useful lives of the assets. The estimated useful lives for depreciation and amortization are typically as follows: buildings — 30 years; machinery, fixtures and equipment — 2-10 years; and leasehold improvements — over the applicable remaining lease term or useful life if shorter.

Long-lived assets — Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment is recognized when the estimated undiscounted cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount. An impairment is measured as the amount by which an asset's net book value exceeds its estimated fair value. The Company continually evaluates the carrying value and the remaining economic useful life of all long-lived assets and will adjust the carrying value and the related depreciation and amortization period if and when appropriate.

Goodwill — Goodwill represents the excess of the purchase price over the fair value of net assets acquired. Annual tests for goodwill impairment are performed by applying a fair-value based test to Avnet's six reporting units, defined as each of the three regional businesses, which are the Americas, EMEA (Europe, Middle East and Africa), and Asia, within each of the Company's operating groups. The Company conducts its periodic test for goodwill impairment annually, on the first day of the fiscal fourth quarter. A two-step process is used to evaluate goodwill for impairment. The first step is to determine if there is an indication of impairment by comparing the estimated fair value of each reporting unit to its carrying value including existing goodwill. Goodwill is considered impaired if the carrying value of a reporting unit exceeds the estimated fair value. The second step, which is performed only if there is an indication of impairment, determines the amount of the impairment by comparing the implied fair value of the reporting unit's goodwill with its carrying value. To estimate fair value of each reporting unit, the Company uses a combination of present value and market valuation techniques that utilizes Level 3 criteria under the fair value measurement standards. The estimated fair values could change in the future due to changes in market and business conditions that could affect the assumptions and estimates used in these valuation techniques.

Foreign currency translation — The assets and liabilities of foreign operations are translated into U.S. Dollars at the exchange rates in effect at the balance sheet date, with the related translation adjustments reported as a separate component of shareholders' equity and comprehensive income. Results of operations are translated using the average exchange rates prevailing throughout the period. Transactions denominated in currencies other than the functional currency of the Avnet business unit that is party to the transaction (primarily trade receivables and payables) are translated at exchange rates in effect at the balance sheet date or upon settlement of the transaction. Gains and losses from such translation are recorded in the consolidated statements of operations as a component of "other income (expense), net." In fiscal 2013, 2012 and 2011, gains or losses on foreign currency translation were not material.

Income taxes — The Company follows the asset and liability method of accounting for income taxes. Deferred income tax assets and liabilities are recognized for the estimated future tax impact of differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in earnings in the period in which the new rate is enacted. Based upon historical and projected levels of taxable income and analysis of other key factors, the Company may record a valuation allowance against its deferred tax assets, as deemed necessary, to state such assets at their estimated net realizable value.

The Company establishes reserves for potentially unfavorable outcomes of positions taken on certain tax matters. These reserves are based on management’s assessment of whether a tax benefit is more likely than not to be sustained upon examination by tax authorities. There may be differences between the anticipated and actual outcomes of these matters that may result in reversals of reserves or additional tax liabilities in excess of the reserved amounts. To the extent such adjustments are warranted, the Company’s effective tax rate may potentially fluctuate as a result. In accordance with the Company's accounting policy, accrued interest and penalties, if any, related to unrecognized tax benefits are recorded as a component of income tax expense.

No provision for U.S. income taxes has been made for approximately $2.7 billion of cumulative unremitted earnings of foreign subsidiaries at June 29, 2013 because those earnings are expected to be permanently reinvested outside the U.S. A hypothetical calculation of the deferred tax liability, assuming those earnings were remitted, is not practicable.

Self-insurance — The Company is primarily self-insured for workers’ compensation, medical, and general, product and automobile liability costs; however, the Company also has a stop-loss insurance policy in place to limit the Company’s exposure to individual and aggregate claims made. Liabilities for these programs are estimated based upon outstanding claims and claims estimated to have been incurred but not yet reported based upon historical loss experience. These estimates are subject to variability due to changes in trends of losses for outstanding claims and incurred but not recorded claims, including external factors such as future inflation rates, benefit level changes and claim settlement patterns.

Revenue recognition —Revenue from product sales is recognized when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the sales price is fixed or determinable and collectability is reasonably assured. Generally, these criteria are met upon shipment to customers. Most of the Company’s product sales come from product Avnet purchases from a supplier and holds in inventory. A portion of the Company’s sales are shipments of product directly from its suppliers to its customers. In such circumstances, Avnet negotiates the price with the customer, pays the supplier directly for the product shipped and bears credit risk of collecting payment from its customers. Furthermore, in such drop-shipment arrangements, Avnet bears responsibility for accepting returns of product from the customer even if Avnet, in turn, has a right to return the product to the original supplier if the product is defective. Under these terms, the Company serves as the principal with the customer and, therefore, recognizes the sale and cost of sale of the product upon receiving notification from the supplier that the product has shipped.

In addition, the Company has more limited contractual relationships with certain of its customers and suppliers whereby Avnet assumes an agency relationship in the transaction. In such arrangements, the Company recognizes the fee associated with serving as an agent in sales with no associated cost of sales.

Revenues from maintenance contracts are recognized ratably over the life of the contracts, generally ranging from one to three years.

Revenues are recorded net of discounts, rebates and estimated returns. Provisions are made for discounts and rebates, which are primarily volume-based, and are based on historical trends and anticipated customer buying patterns. Provisions for returns are estimated based on historical sales returns, credit memo analysis and other known factors.

Comprehensive income — Comprehensive income represents net income for the year adjusted for changes in shareholders’ equity from non-shareholder sources. Accumulated comprehensive income items typically include currency translation and the impact of the Company’s pension liability adjustment, net of tax (see Note 4).

Stock-based compensation —The Company measures share-based payments, including grants of employee stock options, at fair value and recognizes the associated expense in the consolidated statement of operations over the requisite service period (see Note 12).

Concentration of credit risk — Financial instruments that potentially subject the Company to a concentration of credit risk principally consist of cash and cash equivalents and trade accounts receivable. The Company invests its excess cash primarily in overnight Eurodollar time deposits and institutional money market funds with quality financial institutions. To reduce credit risk, management performs ongoing credit evaluations of its customers' financial condition and, in some instances, has obtained insurance coverage to reduce such risk. The Company maintains reserves for potential credit losses, but has not experienced any material losses related to individual customers or groups of customers in any particular industry or geographic area.

Fair value of financial instruments — The Company measures financial assets and liabilities at fair value based upon exit price, representing the amount that would be received on the sale of an asset or paid to transfer a liability, in an orderly transaction between market participants. Accounting standards require inputs used in valuation techniques for measuring fair value on a recurring or non-recurring basis be assigned to a hierarchical level as follows: Level 1 are observable inputs that reflect quoted prices for identical assets or liabilities in active markets. Level 2 are observable market-based inputs or unobservable inputs that are corroborated by market data and Level 3 are unobservable inputs that are not corroborated by market data. All transfers between fair value hierarchy levels are recognized by the Company at the end of each reporting period. During 2013, 2012, and 2011, there were no transfers of assets measured at fair value between the three levels of fair value hierarchy. The carrying amounts of the Company's financial instruments, including cash and cash equivalents, receivables and accounts payable approximate their fair values at June 29, 2013 due to the short-term nature of these instruments. At June 29, 2013 and June 30, 2012, the Company had $2,089,000 and $337,405,000, respectively, of cash equivalents which were recorded based upon Level 1 criteria. See Note 7 for further discussion of the fair value of the Company's fixed rate long-term debt instruments and Note 10 for a discussion of the fair value of the Company's Pension plan assets. See also *Investments* in this Note 1 for further discussion of the fair value of the Company's investments in unconsolidated entities.

Derivative financial instruments — Many of the Company's subsidiaries, on occasion, purchase and sell products in currencies other than their functional currencies. This subjects the Company to the risks associated with fluctuations in foreign currency exchange rates. The Company reduces this risk by utilizing natural hedging (offsetting receivables and payables) as well as by creating offsetting positions through the use of derivative financial instruments, primarily forward foreign exchange contracts with maturities of less than sixty days. The Company continues to have exposure to foreign currency risks to the extent they are not hedged. The Company adjusts all foreign denominated balances and any outstanding foreign exchange contracts to fair market value through the consolidated statements of operations. Therefore, the market risk related to the foreign exchange contracts is offset by the changes in valuation of the underlying items being hedged. The asset or liability representing the fair value of foreign exchange contracts, based upon Level 2 criteria under the fair value measurements standards, is classified in the captions "other current assets" or "accrued expenses and other," as applicable, in the accompanying consolidated balance sheets and were not material. In addition, the Company did not have material gains or losses related to the forward contracts which are recorded in "other income (expense), net" in the accompanying consolidated statements of operations.

The Company has, from time to time, entered into hedge transactions that convert certain fixed rate debt to variable rate debt. To the extent the Company enters into such hedge transactions, those fair value hedges and the hedged debt are adjusted to current market values through interest expense.

The Company generally does not hedge its investment in its foreign operations. The Company does not enter into derivative financial instruments for trading or speculative purposes and monitors the financial stability and credit standing of its counterparties.

Accounts receivable securitization — The Company has an accounts receivable securitization program whereby the Company may sell receivables in securitization transactions and retain a subordinated interest and servicing rights to those receivables. The securitization program is accounted for as an on-balance sheet financing through the securitization of accounts receivable (see Note 3).

Fiscal year — The Company operates on a "52/53 week" fiscal year, which ends on the Saturday closest to June 30th. Fiscal 2013, 2012, and 2011 all contained 52 weeks. Unless otherwise noted, all references to "fiscal 2013" or any other "year" shall mean the Company's fiscal year.

Management estimates — The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently issued accounting pronouncements — In December 2011, the Financial Accounting Standards Board ("FASB") issued ASU No. 2011-11, Disclosures about Offsetting Assets and Liabilities, ("ASU 2011-11"). ASU 2011-11 requires an entity to disclose both gross information and net information about both instruments and transactions eligible for offset in the statement of financial position and instruments and transactions subject to an agreement similar to a master netting arrangement. In January 2013, the FASB issued ASU No. 2013-01, Scope Clarification of Disclosures about Offsetting Assets and Liabilities, ("ASU 2013-01"), which was issued to limit the scope of the new balance sheet offsetting disclosure requirements as prescribed by ASU 2011-11. ASU 2011-11 and ASU 2013-01 are effective for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. Retrospective disclosure is required for all comparative periods presented. The adoption of ASU 2011-11 and ASU 2013-01 are not expected to have a material impact on the Company's consolidated financial statements.

In February 2013, the FASB issued ASU No. 2013-02, Comprehensive Income (Topic 220), Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income, ("ASU 2013-02"). ASU 2013-02 requires entities to report information about reclassifications out of accumulated other comprehensive income ("AOCI") and changes in AOCI balances by component. For significant items reclassified out of AOCI to net income in their entirety in the same reporting period, reporting is required about the effect of the reclassifications on the respective line items in the statement where net income is presented (either on the face of the statement where net income is presented or in the notes). For items that are not reclassified to net income in their entirety in the same reporting period (e.g., pension amounts that are included in inventory), a cross reference to other disclosures is required in the notes. ASU 2013-02 is effective for annual periods and interim periods within those annual periods beginning after December 15, 2012. This ASU is to be applied prospectively and early adoption is permitted. The adoption of ASU 2013-02 will not have a material impact on the Company's consolidated financial statements, as it only represents a modification of disclosure requirements within the financial statements.

In February 2013, the FASB issued ASU No. 2013-04, Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date ("ASU 2013-04"). ASU 2013-04 provides guidance for the recognition, measurement and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of this ASU is fixed at the reporting date. The guidance requires an entity to measure those obligations as the sum of the amount the reporting entity agreed to pay on the basis of its arrangement among its co-obligors as well as any additional amount the reporting entity expects to pay on behalf of its co-obligors. ASU 2013-04 also requires an entity to disclose the nature and amount of those obligations. The amendments in this ASU are effective for reporting periods beginning after December 15, 2013, with early adoption permitted. Retrospective application is required. The adoption of ASU 2013-04 is not expected to have a material impact on the Company's consolidated financial statements.

In March 2013, the FASB issued Accounting Standards Update No. 2013-05, Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity ("ASU No. 2013-05"), which clarifies preexisting guidance regarding the treatment of cumulative translation adjustments when a parent either sells a part or all of its investment in a foreign entity. ASU No. 2013-05 is effective for fiscal years beginning after December 2014, and interim and annual periods thereafter. The Company has reviewed the main provisions of ASU No. 2013-05 and believes that adoption of this update will not have a material impact on the Company's financial position or results of operations.

2. Acquisitions and divestitures

2013 Acquisitions

During fiscal 2013, the Company acquired 12 businesses with aggregate annualized revenue of approximately $1.18 billion for a total consideration of $308,951,000, which consisted of the following (in thousands):

Cash	$	297,484
Contingent consideration		11,467
Total	$	308,951

The contingent consideration arrangements stipulate the Company pay up to a maximum of approximately $22,150,000 of additional consideration to the former shareholders of the acquired businesses upon the achievement of certain operating results. The Company estimated the fair value of the contingent consideration using an income approach which is based on significant inputs not observable in the market and thus represents a Level 3 measurement as defined in ASC 820. The Company adjusts the contingent consideration periodically based on changes to the inputs used in the income approach and the accretion of interest associated with the discounted liability.

Cash paid for acquisitions during fiscal 2013 was $262,306,000, net of cash acquired and holdback reserves.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the respective acquisition dates (in thousands):

Cash	$	29,276
Accounts receivable, net		226,743
Inventory		91,791
Other current assets		33,689
Property, plant and equipment		25,311
Other assets		47,292
Total identifiable assets acquired		454,102
Current liabilities		(157,986)
Long term debt		(66,367)
Other long term liabilities		(45,640)
Total liabilities assumed		(269,993)
Net identifiable assets acquired		184,109
Goodwill		157,521
Bargain purchase recognized		(32,679)
Net assets acquired	$	308,951

The $157,521,000 of goodwill was assigned to the Electronics Marketing and Technology Solutions reportable segments in the amounts of $62,039,000 and $95,482,000, respectively. The goodwill recognized is attributable primarily to expected synergies and the assembled workforce of the acquired businesses. The amount of goodwill that is expected to be deductible for income tax purposes is not significant. The Company periodically adjusts the value of goodwill to reflect changes that occur as a result of adjustments during the measurement period following the date of acquisition.

Included in "Other assets" in the above table is $35,248,000 of identifiable intangible assets (see Note 6) related to customer relationships.

The Company acquired accounts receivable, which were recorded at the estimated fair value amounts; however, adjustments to acquired amounts were not significant as book value approximated fair value due to the short nature of accounts receivables. The gross amount of accounts receivable acquired was $228,980,000 and the fair value recorded was $226,743,000, which is expected to be collected.

The Company recognized restructuring and integration charges, and transaction and other costs associated with the 2013 acquisitions, all of which were recognized in the consolidated statement of operations and are described further in Note 17.

Supplemental information on an unaudited pro forma basis, as if the acquisitions had been consummated as of July 3, 2011, is presented as follows:

	Pro Forma Results For Years Ended	
	June 29, 2013	**June 30, 2012**
	(Thousands)	
Sales	$ 25,771,000	$ 26,872,000
Net income	$ 454,000	$ 587,000

With respect to the businesses acquired during fiscal 2013, the Company is unable to determine the amount of revenue and earnings of each business subsequent to their respective acquisition dates as each business has been integrated with Company entities and operations.

Internix, Inc., a company publicly traded on the Tokyo Stock Exchange, was acquired in the first quarter of fiscal 2013 through a tender offer. After assessing the assets acquired and liabilities assumed, the consideration paid was below book value even though the price paid per share represented a premium to the trading levels at that time. During fiscal 2013, the Company recognized a total gain on bargain purchase related to Internix of $32,679,000 pre- and after tax and $0.23 per share on a diluted basis (inclusive of adjustments occurring subsequent to the acquisition date).

In addition to the acquisitions described above, during fiscal 2013, the Company acquired the remaining non-controlling interest in a consolidated subsidiary for a purchase price that was less than its carrying value. The Company has reflected the difference between the purchase price and the carrying value of the non-controlling interest as additional paid-in capital in the accompanying consolidated statement of shareholders' equity for fiscal 2013.

2012 Acquisitions

During fiscal 2012, the Company acquired 11 businesses for total consideration of $413,585,000, which consisted of the following (in thousands):

Cash	$	390,410
Contingent consideration		23,175
Total	$	413,585

The contingent consideration arrangements stipulate the Company pay up to a maximum of approximately $124,419,000 of additional consideration to the former shareholders of the acquired businesses upon the achievement of certain operating results. The Company estimated the fair value of the contingent consideration using an income approach which is based on significant inputs not observable in the market and thus represents a Level 3 measurement as defined in ASC 820. The Company adjusts the contingent consideration periodically based on changes to the inputs used in the income approach and the accretion of interest associated with the discounted liability. During fiscal 2013, the Company reversed an earn-out liability related to a 2012 acquisition for which payment is no longer expected to be incurred and recorded a charge of $11,172,000 that is included in "Restructuring, integration and other charges" in the accompanying consolidated statement of operations.

Cash paid for acquisitions during fiscal 2012 was $313,218,000, net of cash acquired and holdback reserves.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the respective acquisition dates (in thousands):

Cash	$	75,016
Accounts receivable, net		132,195
Inventory		59,463
Other current assets		23,936
Property, plant and equipment		9,729
Other assets		104,368
Total identifiable assets acquired		404,707
Current liabilities		(230,747)
Other long term liabilities		(2,483)
Total liabilities assumed		(233,230)
Net identifiable assets acquired		171,477
Goodwill		246,425
Bargain purchase recognized		(4,317)
Net assets acquired	$	413,585

The $246,425,000 of goodwill was assigned to the Electronics Marketing and Technology Solutions reportable segments in the amounts of $179,989,000 and $66,436,000, respectively. The goodwill recognized is attributable primarily to expected synergies and the assembled workforce of the acquired businesses. The amount of goodwill that is expected to be deductible for income tax purposes is not significant. The Company periodically adjusts the value of goodwill to reflect changes that occur as a result of adjustments during the measurement period following the date of acquisition.

Included in "Other assets" in the above table is $93,291,000 of identifiable intangible assets (see Note 6).

The Company acquired accounts receivable, which were recorded at the estimated fair value amounts; however, adjustments to acquired amounts were not significant as book value approximated fair value due to the short nature of accounts receivables. The gross amount of accounts receivable acquired was $134,337,000 and the fair value recorded was $132,195,000.

The Company recognized restructuring and integration charges, and transaction and other costs associated with the 2012 acquisitions, all of which were recognized in the consolidated statement of operations and are described further in Note 17.

Supplemental information on an unaudited pro forma basis, as if the acquisitions had been consummated as of July 4, 2010, is presented as follows:

	Pro Forma Results For Years Ended	
	June 30, 2012	**July 2, 2011**
	(Thousands)	
Sales	$ 26,052,000	$ 27,404,000
Net income	$ 568,000	$ 700,300

With respect to the businesses acquired during fiscal 2012, the Company is unable to determine the amount of revenue and earnings of each business subsequent to their respective acquisition dates as each business has been integrated with Company entities and operations.

Unidux Electronic Limited, a Singapore publicly traded company, was acquired in January 2012 through a tender offer. After assessing the assets acquired and liabilities assumed, the consideration paid was below book value even though the price paid per share represented a premium to the trading levels at that time. Accordingly, the Company recognized a gain on bargain purchase of $4,317,000 pre- and after tax and $0.03 per share on a diluted basis.

2011 Acquisitions

The Bell Microproducts Inc. ("Bell") and Unidux, Inc. ("Unidux") acquisitions and purchase price are described further below. The remaining acquisitions completed during fiscal 2011 were acquired for an aggregate purchase price of $124,678,000 net of cash acquired. Pro forma financial information is not presented for fiscal 2011 as the Bell acquisition occurred on July 6, 2010, which was three days after the beginning of the Company's fiscal 2011, and the revenue and earnings of the remaining acquisitions are not significant to the consolidated results of operations of the Company.

The Company recognized restructuring and integration charges, and transaction and other costs associated with the 2011 acquisitions, all of which were recognized in the consolidated statement of operations and are described further in Note 17.

Unidux

Unidux, a Japanese publicly traded company, was acquired through a tender offer. At the time of the Company's acquisition of Unidux, Unidux's shares were trading below its book value. The Company offered a purchase price per share for Unidux that was above the prevailing trading price thereby representing a premium to the then recent trading levels. Even though the purchase price was below book value, Unidux shareholders tendered their shares. As a result, the Company acquired Unidux net assets excluding cash of $163,770,000 for a purchase price of $132,780,000, net of cash acquired, and recognized a gain on bargain purchase of $30,990,000 pre- and after tax and $0.20 per share on a diluted basis. Prior to recognizing the gain, the Company reassessed the assets acquired and liabilities assumed in the acquisition.

Bell

On July 6, 2010, the Company completed its acquisition of Bell, a value-added distributor of storage and server products and solutions and computer components products, providing integration and support services to OEMs, VARs, system builders and end users in the U.S., Canada, EMEA and Latin America. The consideration for the transaction totaled $255,691,000, which consisted of $7.00 in cash for each share of Bell common stock outstanding, cash payment for Bell equity awards, and cash payments required under existing Bell change of control agreements, plus the assumption of $323,321,000 of Bell net debt. Of the debt acquired, the Company repaid approximately $209,651,000 of debt (including associated fees) immediately after closing.

Divestitures

During fiscal 2013, the Company divested a small business in TS Asia for which it recognized a loss of $1,667,000 pre-tax, $1,704,000 after tax and $0.01 per share on a diluted basis, which was reflected in "Gain on bargain purchase and other."

Included in the cash flows from investing activities for fiscal 2013 were proceeds of $3,613,000, net of cash divested, related to the divestiture that occurred during fiscal 2013 and the receipt of an earn-out payment associated with a divestiture completed in the prior fiscal year, for which there was no gain or loss as the proceeds were applied against the earn-out receivable that was established at the time of sale.

During fiscal 2012, the Company recognized a loss of $1,399,000 pre-tax, $854,000 after tax and $0.01 per diluted share included in "Gain on bargain purchase and other" in the consolidated statements of operations related to a write-down of an investment in a small technology company and the write-off of certain deferred financing costs associated with the early termination of a credit facility.

During fiscal 2011, the Company completed the divestiture of New ProSys Corp. (“ProSys”), a value-added reseller and provider of IT infrastructure solutions. Avnet acquired ProSys as part of the Bell acquisition. Total consideration included a cash payment at closing, a short-term receivable and a three-year earn-out based upon ProSys’ anticipated results. As a result of the divestiture, the Company received cash proceeds of $19,108,000 and wrote off goodwill associated with the ProSys business. No gain or loss was recorded as a result of the divestiture.

Also during fiscal 2011, the Company recognized a loss of $6,308,000 pre-tax, $3,857,000 after tax and $0.02 per share on a diluted basis included in “Gain on bargain purchase and other” related to the write-down of prior investments in smaller technology start-up companies (see Note 5 for other amounts included in “Gain on bargain purchase and other”).

3. Accounts receivable securitization

Pursuant to the Company's accounts receivable securitization program (the “Program”) with a group of financial institutions, as amended, the Company may sell, on a revolving basis, an undivided interest of up to $800,000,000 in eligible U.S. receivables while retaining a subordinated interest in a portion of the receivables. The eligible receivables are sold through a wholly-owned bankruptcy-remote special purpose entity that is consolidated for financial reporting purposes. Such eligible receivables are not directly available to satisfy claims of the Company’s creditors. Because financing under the Program does not qualify as off-balance sheet financing, the receivables and related debt obligation remain on the Company’s consolidated balance sheet as amounts are drawn on the Program. The Program has a one-year term that expires at the end of August 2013, at which time it is expected to be renewed for another year on comparable terms. The Program contains certain covenants, all of which the Company was in compliance with as of June 29, 2013. There were $360,000,000 in borrowings outstanding under the Program at June 29, 2013 and $670,000,000 as of June 30, 2012. (See Note 7 for discussion of other short-term and long-term debt outstanding). Interest on borrowings is calculated using a base rate or a commercial paper rate plus a spread of 0.35%. The facility fee is 0.35%. Expenses associated with the Program, which were not material in the past three fiscal years, consisted of program, facility and professional fees recorded in "Selling, general and administrative expenses" in the accompanying consolidated statements of operations.

4. Shareholders' equity

Accumulated comprehensive income (loss)

The following table illustrates the accumulated balances of comprehensive income (loss) items at June 29, 2013, June 30, 2012, and July 2, 2011:

	June 29, 2013	June 30, 2012	July 2, 2011
		(Thousands)	
Accumulated translation adjustments, net	$ 135,395	$ 90,798	$ 461,213
Accumulated pension liability adjustments, net of income taxes	(106,500)	(136,630)	(84,002)
Total	$ 28,895	$ (45,832)	$ 377,211

Share repurchase program

In August 2012, the Company's Board of Directors amended the Company's existing share repurchase program to authorize the repurchase of up to $750,000,000 of common stock in the open market or through privately negotiated transactions. The timing and actual number of shares purchased will depend on a variety of factors such as price, corporate and regulatory requirements, and prevailing market conditions. During fiscal 2013, the Company repurchased 6,620,000 shares under this program at an average market price of $30.15 per share for a total cost of $199,585,000. This amount differs from the cash used for repurchases of common stock on the consolidated statement of cash flows to the extent repurchases at the end of the fourth quarter of fiscal 2012 were not settled until the first quarter of fiscal 2013. Repurchased shares were retired. Since the beginning of the repurchase program through the end of fiscal 2013, the Company has repurchased 17,890,000 shares of stock at an aggregate cost of $525,525,000, and $224,475,000 remains available for future purchases under the share repurchase program.

5. Property, plant and equipment, net

Property, plant and equipment are recorded at cost and consist of the following:

	June 29, 2013	June 30, 2012
	(Thousands)	
Land	$ 24,834	$ 19,912
Buildings	124,186	102,395
Machinery, fixtures and equipment	933,188	865,198
Leasehold improvements	102,378	92,131
	1,184,586	1,079,636
Less — accumulated depreciation and amortization	(691,980)	(618,406)
	$ 492,606	$ 461,230

Depreciation and amortization expense related to property, plant and equipment was $88,303,000, $70,645,000 and $57,516,000 in fiscal 2013, 2012 and 2011, respectively. In fiscal 2011, the Company recognized other charges of $1,968,000 pre-tax, $1,413,000 after tax and $0.01per share on a diluted basis primarily related to an impairment of buildings in EMEA and recorded in "Gain on bargain purchase and other" in the accompanying consolidated statements of operations (see Note 2 for other amounts included in “Gain on bargain purchase and other”).

6. Goodwill and intangible assets

The following table presents the change in the goodwill balances by reportable segment for fiscal year 2013. All of the accumulated impairment was recognized in fiscal 2009.

	Electronics Marketing	Technology Solutions	Total
		(Thousands)	
Gross goodwill	$ 1,590,419	$ 889,936	$ 2,480,355
Accumulated impairment	(1,045,110)	(334,624)	(1,379,734)
Carrying value at June 30, 2012	$ 545,309	$ 555,312	$ 1,100,621
Additions	55,486	109,627	165,113
Adjustments	7,185	(7,185)	—
Write-down due to exit of business	(5,408)	—	(5,408)
Foreign currency translation	(742)	1,704	962
Carrying value at June 29, 2013	$ 601,830	$ 659,458	$ 1,261,288
Gross goodwill	$ 1,646,940	$ 994,082	$ 2,641,022
Accumulated impairment	(1,045,110)	(334,624)	(1,379,734)
Carrying value at June 29, 2013	$ 601,830	$ 659,458	$ 1,261,288

The goodwill additions are a result of businesses acquired during fiscal 2013 (see Note 2) and purchase accounting adjustments to prior year acquisitions that occurred during the purchase price allocation period. The adjustment to goodwill is a result of the transfer of a business unit from TS to EM. During fiscal 2013, the Company recorded a write-down of goodwill of $5,408,000 associated with the exit of a non-integrated business in the EM Americas region that is included in "Restructuring, integration and other expenses" in the accompanying consolidated statement of operations.

The Company performs its annual goodwill impairment test on the first day of its fiscal fourth quarter. In addition, if and when events or circumstances change that would more likely than not reduce the fair value of any of its reporting units below its carrying value, an interim test would be performed. Based upon the Company's annual impairment tests performed for fiscal 2013, 2012 and 2011, there was no impairment of goodwill in the respective fiscal years.

The following table presents the Company's identifiable intangible assets at June 29, 2013 and June 30, 2012, respectively. These balances are included in "other assets" and have a weighted average life of 8 years.

	June 29, 2013			June 30, 2012		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
	(Thousands)					
Customer relationships	$ 272,312	$ (107,636)	$ 164,676	$ 248,105	$ (76,645)	$ 171,460
Customer lists	3,795	(2,310)	1,485	3,690	(1,279)	2,411
Trade name	3,320	(480)	2,840	3,820	(970)	2,850
Other	4,177	(966)	3,211	5,052	(434)	4,618
	$ 283,604	$ (111,392)	$ 172,212	$ 260,667	$ (79,328)	$ 181,339

Intangible asset amortization expense was $32,343,000, $27,717,000 and $21,240,000 for fiscal 2013, 2012 and 2011 respectively. The following table presents the estimated future amortization expense for the next five fiscal years (in thousands):

Fiscal Year	
2014	$ 35,564
2015	34,294
2016	28,647
2017	26,479
2018	15,278

7. External financing

Short-term debt consists of the following:

	June 29, 2013	June 30, 2012
	(Thousands)	
Bank credit facilities	$ 177,118	$ 201,390
Borrowings under the accounts receivable securitization program (see Note 3)	360,000	670,000
Current portion of long-term debt	299,950	—
Other debt due within one year	1,122	1,014
Short-term debt	$ 838,190	$ 872,404

Bank credit facilities consist of various committed and uncommitted lines of credit with financial institutions utilized primarily to support the working capital requirements of foreign operations. The weighted average interest rate on the bank credit facilities was 4.3% and 6.1% at the end of fiscal 2013 and 2012, respectively.

See Note 3 for the discussion of the accounts receivable securitization program and associated borrowings outstanding.

Long-term debt consists of the following:

	June 29, 2013	June 30, 2012
	(Thousands)	
5.875% Notes due March 15, 2014	$ —	$ 300,000
6.00% Notes due September 1, 2015	250,000	250,000
6.625% Notes due September 15, 2016	300,000	300,000
5.875% Notes due June 15, 2020	300,000	300,000
4.875% Notes due December 1, 2022	350,000	—
Other long-term debt	9,579	124,456
Subtotal	1,209,579	1,274,456
Discount on notes	(2,586)	(2,471)
Long-term debt net of current portion	$ 1,206,993	$ 1,271,985

In November 2012, the Company issued $350,000,000 of 4.875% Notes due December 1, 2022. The Company received proceeds of $349,258,000 from the offering, net of discount, and paid $2,275,000 in underwriting fees. The 4.875% Notes due 2022 rank equally in right of payment with all existing and future senior unsecured debt and interest will be payable in cash semi-annually on June 1 and December 1.

The Company has a five-year $1.0 billion senior unsecured revolving credit facility (the "2012 Credit Facility") with a syndicate of banks, which expires in November 2016. Under the 2012 Credit Facility, the Company may select from various interest rate options, currencies and maturities. The 2012 Credit Facility contains certain covenants, all of which the Company was in compliance with as of June 29, 2013. At June 29, 2013, there were borrowings of $6,700,000 under the 2012 Credit Facility included in “Other long-term debt” in the preceding table. In addition, there were letters of credit aggregating $2,309,000 issued under the 2012 Credit Facility, which represents a utilization of the 2012 Credit Facility capacity but are not recorded in the consolidated balance sheet as the letters of credit are not debt. At June 30, 2012, there were borrowings of $110,072,000 outstanding under the 2012 Credit Facility included in “Other long-term debt” in the preceding table and there were letters of credit aggregating $17,202,000 issued.

Aggregate debt maturities for fiscal 2014 through 2018 and thereafter are as follows (in thousands):

2014	$ 838,240
2015	1,193
2016	257,552
2017	300,434
2018	—
Thereafter	650,400
Subtotal	2,047,819
Discount on notes	(2,636)
Total debt	$ 2,045,183

At June 29, 2013, the carrying value and fair value of the Company’s debt was $2,045,183,000 and $2,130,294,000, respectively. Fair value was estimated primarily based upon quoted market prices for the Company's long-term notes.

8. Accrued expenses and other

Accrued expenses and other consist of the following:

	June 29, 2013	June 30, 2012
	(Thousands)	
Payroll, commissions and related accruals	$ 291,561	$ 279,454
Income taxes (Note 9)	54,039	85,025
Other[1]	359,502	331,004
	$ 705,102	$ 695,483

(1) Includes reserves related to restructuring, integration and other charges (see Note 17). Amounts presented in this caption were individually not significant.

9. Income taxes

The components of the provision for income taxes are indicated in the table below. The tax provision for deferred income taxes results from temporary differences arising principally from inventory valuation, accounts receivable valuation, net operating losses, certain accruals and depreciation, net of any changes to the valuation allowance.

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
		(Thousands)	
Current:			
Federal	$ 17,212	$ 94,237	$ 64,476
State and local	7,034	19,466	11,724
Foreign	84,965	98,278	109,731
Total current taxes	109,211	211,981	185,931
Deferred:			
Federal	2,619	6,896	41,029
State and local	2,390	758	5,273
Foreign	(15,028)	4,128	(30,336)
Total deferred taxes	(10,019)	11,782	15,966
Provision for income taxes	$ 99,192	$ 223,763	$ 201,897

The provision for income taxes noted above is computed based upon the split of income before income taxes from U.S. and foreign operations. U.S. income before income taxes was $174,000,000, $320,333,000 and $273,287,000 and foreign income before income taxes was $375,265,000, $470,449,000 and $597,679,000 in fiscal 2013, 2012 and 2011, respectively.

Reconciliations of the federal statutory tax rate to the effective tax rates are as follows:

	Years Ended		
	June 29, 2013	**June 30, 2012**	**July 2, 2011**
Federal statutory rate	35.0 %	35.0 %	35.0 %
State and local income taxes, net of federal benefit	1.1	1.8	1.5
Foreign tax rates, net of valuation allowances	(7.2)	(5.4)	(5.3)
Release of valuation allowance, net of U.S. tax expense (as discussed below)	(6.4)	(2.8)	(7.4)
Change in contingency reserves	0.4	0.5	1.4
Tax audit settlements	(6.0)	(1.0)	(0.4)
Other, net	1.2	0.2	(1.6)
Effective tax rate	18.1 %	28.3 %	23.2 %

Foreign tax rates generally consist of the impact of the difference between foreign and federal statutory rates applied to foreign income or loss and also include the impact of valuation allowances against the Company's otherwise realizable foreign loss carry-forwards.

Avnet’s effective tax rate on income before income taxes was 18.1% in fiscal 2013 as compared with an effective tax rate of 28.3% in fiscal 2012. Included in the fiscal 2013 effective tax rate is a net tax benefit of $50,376,000, which is comprised of (i) a tax benefit of $41,572,000 for the release of valuation allowance against deferred tax assets that were determined to be realizable, primarily related to a legal entity in EMEA (discussed further below), (ii) net favorable audit settlements resulting in a benefit of $33,182,000, partially offset by (iii) a tax provision of $24,378,000 primarily related to the establishment of a valuation allowance against deferred tax assets that were determined to be unrealizable during fiscal 2013. The fiscal 2013 effective tax rate is lower than the fiscal 2012 effective tax rate primarily due to a favorable impact from audit settlements and, to a lesser extent, a greater impact to the rate from the valuation allowance released in fiscal 2013 (as discussed further below) as compared with the amount released in fiscal 2012 due to the reduced level of income and mix of income in the current year. In fiscal 2012, withholding tax related to legal entity reorganization resulted in an increase to the rate that does not exist in the current year.

During fiscal 2013, the Company had a partial valuation allowance against significant tax assets related to a legal entity in EMEA due to, among several other factors, a history of losses in that entity. Since fiscal 2010, the entity has been experiencing improved earnings, which required the partial release of the valuation allowance to the extent the entity has projected taxable income. In each of fiscal 2013 and 2012, the Company determined a portion of the valuation allowance for this legal entity was no longer required due to the expected continuation of improved earnings in the foreseeable future and, as a result, the Company's effective tax rate was positively impacted (decreased) upon the release of the valuation allowance, net of the U.S. tax expense. In fiscal 2013 and 2012, the valuation allowance released associated with this EMEA legal entity was $27,055,000 and $22,127,000, respectively, net of the U.S. tax expense associated with the release. The Company will continue to evaluate the need for a valuation allowance against these tax assets and will adjust the valuation allowance as deemed appropriate which, when adjusted, will result in an impact to the effective tax rate. Factors that are considered in such an evaluation include historic levels of income, expectations and risk associated with estimates of future taxable income and ongoing prudent and feasible tax planning strategies. Excluding the benefit in both fiscal years related to the release of the tax valuation allowance associated with the EMEA legal entity, the effective tax rate for fiscal 2013 would have been 23.0% as compared with 31.1% for fiscal 2012.

During fiscal 2013, the Company's effective tax rate was favorably impacted primarily by the settlement of two audits by the U.S. Internal Revenue Service ("IRS") for the Company and an acquired company. As a result, the Company recognized a tax benefit of $33,005,000 in fiscal 2013.

Avnet’s effective tax rate on income before income taxes was 28.3% in fiscal 2012 as compared with an effective tax rate of 23.2% in fiscal 2011. As compared with fiscal 2011, the fiscal 2012 effective tax rate is higher than the fiscal 2011 effective tax rate primarily due to a lower amount of valuation allowance released in fiscal 2012 as compared with the amount released in fiscal 2011, and, to a lesser extent, a more favorable impact from audit settlements and changes to existing tax positions in fiscal 2012 as compared with fiscal 2011. These favorable impacts were partially offset by withholding tax in fiscal 2012.

The significant components of deferred tax assets and liabilities, included primarily in “other assets” on the consolidated balance sheets, are as follows:

	June 29, 2013	June 30, 2012
	(Thousands)	
Deferred tax assets:		
Inventory valuation	$ 19,509	$ 13,298
Accounts receivable valuation	27,185	29,984
Federal, state and foreign tax loss carry-forwards	333,940	304,410
Various accrued liabilities and other	33,031	88,792
	413,665	436,484
Less — valuation allowance	(230,821)	(244,093)
	182,844	192,391
Deferred tax liabilities:		
Depreciation and amortization of property, plant and equipment	(50,469)	(54,745)
Net deferred tax assets	$ 132,375	$ 137,646

The change in the valuation allowance from fiscal 2012 to fiscal 2013 was a combination of (i) a net reduction of $41,572,000 primarily due to the previously mentioned release of valuation allowance in EMEA, $31,867,000 of which impacted the effective tax rate while the remainder was offset in deferred income taxes, and (ii) a net increase of $28,300,000 primarily related to additional valuation allowances for newly acquired companies and companies with a history of losses.

As of June 29, 2013, the Company had foreign net operating loss carry-forwards of approximately $1,186,832,000, of which $43,463,000 will expire during fiscal 2014 and 2015, substantially all of which have full valuation allowances, $238,701,000 have expiration dates ranging from fiscal 2016 to 2033 and the remaining $904,668,000 have no expiration date. The carrying value of the Company’s net operating loss carry-forwards is dependent upon the Company’s ability to generate sufficient future taxable income in certain tax jurisdictions. In addition, the Company considers historic levels of income, expectations and risk associated with estimates of future taxable income and ongoing prudent and feasible tax planning strategies in assessing a tax valuation allowance.

Accruals for unrecognized tax benefits are included in “accrued expenses and other” and “other long term liabilities” on the consolidated balance sheet. These contingency reserves relate to various tax matters that result from uncertainties in the application of complex income tax regulations in the numerous jurisdictions in which the Company operates. The change to contingency reserves during fiscal 2013 is primarily due to favorable non-cash audit settlements, which are included in the “reductions for tax positions taken in prior periods” caption in the following table. As of June 29, 2013, unrecognized tax benefits were $123,930,000, of which approximately $117,708,000, if recognized, would favorably impact the effective tax rate and the remaining balance would be substantially offset by valuation allowances. As of June 30, 2012, unrecognized tax benefits were $146,626,000, of which approximately $126,933,000, if recognized, would favorably impact the effective tax rate, and the remaining balance would be substantially offset by valuation allowances. The accrual for unrecognized tax benefits included accrued interest expense and penalties of $24,979,000 and $24,664,000, net of applicable state tax benefit, as of the end of fiscal 2013 and 2012, respectively.

Reconciliations of the beginning and ending accrual balances for unrecognized tax benefits are as follows:

	June 29, 2013	June 30, 2012
	(Thousands)	
Balance at beginning of year	$ 146,626	$ 175,151
Additions for tax positions taken in prior periods, including interest	11,732	19,262
Reductions for tax positions taken in prior periods, including interest	(33,776)	(35,898)
Additions for tax positions taken in current period	7,445	8,179
Reductions related to cash settlements with taxing authorities	(9,064)	(7,460)
Reductions related to the lapse of statute of limitations	(2,812)	(3,810)
Additions (reductions) related to foreign currency translation	3,779	(8,798)
Balance at end of year	$ 123,930	$ 146,626

The evaluation of income tax positions requires management to estimate the ability of the Company to sustain its position and estimate the final benefit to the Company. To the extent that these estimates do not reflect the actual outcome there could be an impact on the consolidated financial statements in the period in which the position is settled, the statute of limitations expire or new information becomes available as the impact of these events are recognized in the period in which they occur. It is difficult to estimate the period in which the amount of a tax position will change as settlement may include administrative and legal proceedings whose timing the Company cannot control. The effects of settling tax positions with tax authorities and statute expirations may significantly impact the accrual for income tax contingencies. Within the next twelve months, management estimates that approximately $23,884,000 of tax contingencies will be settled primarily through agreement with the tax authorities for tax positions related to valuation matters and positions related to acquired entities; such matters are common to multinational companies. The expected cash payment related to the settlement of these contingencies is $16,303,000.

The Company conducts business globally and consequently files income tax returns in numerous jurisdictions including those listed in the following table. It is also routinely subject to audit in these and other countries. The Company is no longer subject to audit in its major jurisdictions for periods prior to fiscal year 2006. The years remaining subject to audit, by major jurisdiction, are as follows:

Jurisdiction	Fiscal Year
Belgium, Germany and United States (federal and state)	2010-2013
United Kingdom	2009-2013
Hong Kong	2007-2013
Singapore	2006-2013
Netherlands and Taiwan	2008-2013

10. Pension and retirement plans

Pension Plan

The Company's noncontributory defined benefit pension plan (the "Plan") covers substantially all domestic employees. Employees are eligible to participate in the Plan following the first year of service during which they worked at least 1,000 hours. The Plan provides defined benefits pursuant to a cash balance feature whereby a participant accumulates a benefit based upon a percentage of current salary, which varies with age, and interest credits. The Company uses June 30 as the measurement date for determining pension expense and benefit obligations for each fiscal year. Not included in the tabulations and discussions that follow are pension plans of certain non-U.S. subsidiaries and other small pension plans that are not material.

The following tables outline changes in benefit obligations, plan assets and the funded status of the Plan as of the end of fiscal 2013 and 2012:

	June 29, 2013	June 30, 2012
	(Thousands)	
Changes in benefit obligations:		
Benefit obligations at beginning of year	$ 375,156	$ 297,527
Service cost	36,920	28,380
Interest cost	14,653	14,925
Plan amendments	—	3,360
Actuarial (gain) loss	(13,545)	48,620
Benefits paid	(21,304)	(17,656)
Benefit obligations at end of year	$ 391,880	$ 375,156
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 301,449	$ 324,752
Actual return on plan assets	45,228	(5,647)
Benefits paid	(21,304)	(17,656)
Contributions	40,000	—
Fair value of plan assets at end of year	$ 365,373	$ 301,449
Funded status of the plan recognized as a non-current liability	$ (26,507)	$ (73,707)
Amounts recognized in accumulated other comprehensive income:		
Unrecognized net actuarial loss	$ 173,069	$ 218,837
Unamortized prior service credit	(7,623)	(9,196)
	$ 165,446	$ 209,641
Other changes in plan assets and benefit obligations recognized in other comprehensive income:		
Net actuarial (gain) loss	$ (30,870)	$ 81,206
Prior service cost	—	3,360
Amortization of net actuarial loss	(14,898)	(9,680)
Amortization of prior service credit	1,573	1,875
	$ (44,195)	$ 76,761

The Plan was amended effective June 1, 2012 to improve pre-retirement death benefits so that the pre-retirement death benefits will be payable without regard to marital status, and will be based on 100% of the participant's vested cash account. The increase in liability is recognized as a prior service cost and amortization began in fiscal year 2013.

Included in “accumulated other comprehensive income” at June 29, 2013 is a pre-tax charge of $173,069,000 of net actuarial losses which have not yet been recognized in net periodic pension cost, of which $12,686,000 is expected to be recognized as a component of net periodic benefit cost during fiscal 2014. Also included is a pre-tax credit of $7,623,000 of prior service credit which has not yet been recognized in net periodic pension costs, of which $1,573,000 is expected to be recognized as a component of net periodic benefit costs during fiscal 2014.

Weighted average assumptions used to calculate actuarial present values of benefit obligations are as follows:

	2013	2012
Discount rate	4.50%	4.00%

Weighted average assumptions used to determine net benefit costs are as follows:

	2013	2012
Discount rate	4.00%	5.25%
Expected return on plan assets	8.50%	8.50%

The Company bases its discount rate on a hypothetical portfolio of bonds rated Aa by Moody's Investor Services or AA by Standard & Poor's. The bonds selected for this determination are based upon the estimated amount and timing of services of the pension plan.

Components of net periodic pension costs during the last three fiscal years are as follows:

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
		(Thousands)	
Service cost	$ 36,920	$ 28,380	$ 23,874
Interest cost	14,653	14,925	13,918
Expected return on plan assets	(27,905)	(26,938)	(27,560)
Recognized net actuarial loss	14,898	9,680	8,938
Amortization of prior service credit	(1,573)	(1,875)	(1,875)
Net periodic pension cost	$ 36,993	$ 24,172	$ 17,295

The Company made $40,000,000 of contributions in fiscal 2013 and none in 2012.

Benefit payments are expected to be paid to participants as follows for the next five fiscal years and the aggregate for the five years thereafter (in thousands):

2014	$ 28,436
2015	23,802
2016	27,310
2017	30,627
2018	34,448
2019 through 2023	240,710

The Plan's assets are held in trust and were allocated as follows as of the June 30 measurement date for fiscal 2013 and 2012:

	2013	2012
Equity securities	75%	75%
Fixed income	24	24
Cash and cash equivalents	1	1

The general investment objectives of the Plan are to maximize returns through a diversified investment portfolio in order to earn annualized returns that meet the long-term cost of funding the Plan's pension obligations while maintaining reasonable and prudent levels of risk. The target rate of return on Plan assets is currently 8.5%, which represents the average rate of earnings expected on the funds invested or to be invested to provide for the benefits included in the benefit obligation. This assumption has been determined by combining expectations regarding future rates of return for the investment portfolio along with the historical and expected distribution of investments by asset class and the historical rates of return for each of those asset classes. The mix of equity securities is typically diversified to obtain a blend of domestic and international investments covering multiple industries. The Plan assets do not include any material investments in Avnet common stock. The Plan's investments in debt securities are also diversified across both public and private fixed income securities. The Company's current target allocation for the investment portfolio is for equity securities, both domestic and international, to represent approximately 76% of the portfolio with a policy for minimum investment in equity securities of 60% of the portfolio and a maximum of 92%. The majority of the remaining portfolio of investments is to be invested in fixed income securities.

FASB ASC 820, Fair Value Measurements and Disclosures, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of June 29, 2013.

	Level 1	Level 2	Level 3	Total
		(Thousands)		
Cash and cash equivalents	$ 3,032	$ —	$ —	$ 3,032
Equities:				
U.S. common stocks	—	219,225	—	219,225
International common stocks	—	56,458	—	56,458
Fixed Income:				
U.S. government agencies	—	10,004	—	10,004
U.S. corporate bonds	—	76,654	—	76,654
Total	$ 3,032	$ 362,341	$ —	$ 365,373

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2012.

	Level 1	Level 2	Level 3	Total
		(Thousands)		
Cash and cash equivalents	$ 3,045	$ —	$ —	$ 3,045
Equities:				
U.S. common stocks	—	178,857	—	178,857
International common stocks	—	46,897	—	46,897
Fixed Income:				
U.S. government agencies	—	10,087	—	10,087
U.S. corporate bonds	—	62,563	—	62,563
Total	$ 3,045	$ 298,404	$ —	$ 301,449

The Plan’s investments in equity and fixed income investments are stated at unit value, or the equivalent of net asset value, which is a practical expedient for estimating the fair values of those investments. Each of these investments may be redeemed daily without notice and had no unfunded commitments as of June 29, 2013.

The fixed income investments provide a steady return with medium volatility and assist with capital preservation and income generation. The equity investments have higher expected volatility and return than the fixed income investments.

11. Operating leases

The Company leases many of its operating facilities and is also committed under lease agreements for transportation and operating equipment. Rent expense charged to operations during the last three years is as follows:

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Thousands)		
Buildings	$ 86,884	$ 84,531	$ 78,371
Equipment	7,203	8,093	8,332
	$ 94,087	$ 92,624	$ 86,703

The aggregate future minimum operating lease commitments, principally for buildings, in fiscal 2014 through 2018 and thereafter (through 2029), are as follows (in thousands):

2014	$ 86,100
2015	58,165
2016	41,901
2107	29,088
2018	18,468
Thereafter	38,514
Total	$ 272,236

The preceding table includes operating lease commitments that have been reserved for as part of the Company's restructuring activities (see Note 17).

12. Stock-based compensation plans

The Company measures all share-based payments, including grants of employee stock options, at fair value and recognizes related expense in the consolidated statement of operations over the service period (generally the vesting period). During fiscal 2013, 2012, 2011, the Company expensed $43,677,000, $35,737,000 and $28,931,000, respectively, for all stock-based compensation awards.

Stock plan

At June 29, 2013, the Company had 8,988,130 shares of common stock reserved for equity awards, which consisted of 2,579,188 for options granted that have not yet been exercised, 2,995,588 available for future awards under plans approved by shareholders, 2,980,565 for stock incentive and performance shares granted but not yet vested, and 432,789 shares available for future award under the Company's Employee Stock Purchase Plan ("ESPP").

Stock options

Option grants under the 2010 Plan have a contractual life of ten years, vest 25% on each anniversary of the grant date, commencing with the first anniversary, and provide for a minimum exercise price of 100% of fair market value at the date of grant. Compensation expense associated with stock options during fiscal 2013, 2012 and 2011 was $3,989,000, $3,147,000 and $3,499,000, respectively.

The fair value of options granted is estimated on the date of grant using the Black-Scholes model based on the assumptions in the following table. The assumption for the expected term is based on evaluations of historical and expected future employee exercise behavior. The risk-free interest rate is based on the U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected term at the grant date. The historical volatility of Avnet's stock is used as the basis for the volatility assumption.

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
Expected term (years)	6.00	6.00	6.00
Risk-free interest rate	0.9%	1.2%	1.8%
Weighted average volatility	35.0%	33.7%	33.7%
Dividend yield	—	—	—

The following is a summary of the changes in outstanding options for fiscal 2013:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
Outstanding at June 30, 2012	2,881,918	$ 23.78	61 Months
Granted	416,128	$ 32.34	110 Months
Exercised	(708,421)	$ 18.25	12 Months
Forfeited or expired	(10,437)	$ 30.50	40 Months
Outstanding at June 29, 2013	2,579,188	$ 26.65	70 Months
Exercisable at June 29, 2013	1,634,898	$ 25.37	53 Months

The weighted-average grant-date fair values of stock options granted during fiscal 2013, 2012 and 2011 were $11.33, $9.67 and $8.72, respectively.

At June 29, 2013, the aggregate intrinsic value of all outstanding stock option awards was $18,089,000 and all exercisable stock options awards was $13,624,000.

The following is a summary of the changes in non-vested stock options for the fiscal year ended June 29, 2013:

	Shares	Weighted Average Grant-Date Fair Value
Non-vested stock options at June 30, 2012	887,295	$ 9.41
Granted	416,128	$ 11.33
Vested	(359,133)	$ 9.53
Forfeited	—	$ —
Non-vested stock options at June 29, 2013	944,290	$ 10.21

As of June 29, 2013, there was $2,534,000 of total unrecognized compensation cost related to non-vested stock options, which is expected to be recognized over a weighted-average period of 2.2 years. The total fair values of shares vested during fiscal 2013, 2012 and 2011 were $3,424,000, $3,599,000, $3,425,000, respectively.

Cash received from option exercises during fiscal 2013, 2012 and 2011 totaled $2,053,000, $2,405,000, and $3,506,000, respectively. The impact of these cash receipts is included in "Other, net" in financing activities in the accompanying consolidated statements of cash flows.

Incentive shares

Delivery of incentive shares, and the associated compensation expense, is spread equally over a five-year period and is generally subject to the employee's continued employment by the Company. As of June 29, 2013, 2,009,510 shares previously awarded have not yet been delivered. Compensation expense associated with this program was $26,788,000, $20,978,000 and $17,008,000 for fiscal years 2013, 2012 and 2011, respectively.

The following is a summary of the changes in non-vested incentive shares for the fiscal year ended June 29, 2013:

	Shares	Weighted Average Grant-Date Fair Value
Non-vested incentive shares at June 30, 2012	1,749,519	$ 26.82
Granted	1,292,030	$ 32.42
Vested	(900,701)	$ 28.24
Forfeited	(131,338)	$ 28.64
Non-vested incentive shares at June 29, 2013	2,009,510	$ 29.62

As of June 29, 2013, there was $47,413,000 of total unrecognized compensation cost related to non-vested incentive shares, which is expected to be recognized over a weighted-average period of 2.9 years. The total fair values of shares vested during fiscal 2013, 2012 and 2011 were $25,439,000, $19,516,000, $15,916,000, respectively.

Performance shares

Eligible employees, including Avnet's executive officers, may receive a portion of their long-term equity-based incentive compensation through the performance share program, which allows for the award of shares of stock against performance-based criteria ("Performance Share Program"). The Performance Share Program provides for the issuance to each grantee of a number of shares of Avnet's common stock at the end of a three-year period based upon the Company's achievement of performance goals established by the Compensation Committee of the Board of Directors for each three-year period. The performance goals have recently consisted of measures of economic profit and total shareholder return.

During fiscal 2013, 2012 and 2011, the Company granted 252,185, 349,070 and 380,200 performance shares, respectively, to be awarded to participants in the Performance Share Program, of which 10,400 cumulatively have been forfeited. The actual amount of performance shares issued at the end of the three-year period is determined based upon the level of achievement of the defined performance goals and can range from 0% to 200% of the initial award. During fiscal 2013, 2012 and 2011, the Company recognized compensation expense associated with the Performance Share Programs of $11,902,000, $10,502,000 and $7,374,000, respectively.

Outside director equity compensation

Non-employee directors are awarded shares equal to a fixed dollar amount of Avnet common stock upon their re-election each year, as part of their director compensation package. Directors may elect to receive this compensation in the form of common stock or they may elect to defer their compensation to be paid in common stock at a later date. During fiscal 2013, 2012 and 2011, compensation cost associated with the outside director stock bonus plan was $999,000, $1,110,000, $1,050,000, respectively.

Employee stock purchase plan

The Company has an ESPP under the terms of which eligible employees of the Company are offered options to purchase shares of Avnet common stock at a price equal to 95% of the fair market value on the last day of each monthly offering period. The ESPP is not compensatory based on its terms.

The Company has a policy of repurchasing shares on the open market to satisfy shares purchased under the ESPP, and expects future repurchases during fiscal 2014 to be similar to the number of shares repurchased during fiscal 2013, based on current estimates of participation in the program. During fiscal 2013, 2012 and 2011, there were 61,731, 64,187 and 62,329 shares, respectively, of common stock issued under the ESPP program.

13. Commitments and contingencies

Bell

During fiscal 2011, the Company recognized a contingent liability for potential unpaid import duties associated with the acquisition of Bell. Prior to the acquisition of Bell by Avnet, Customs and Border Protection ("CBP") initiated a review of the importing process at one of Bell's subsidiaries and identified compliance deficiencies. Subsequent to the acquisition of Bell by

Avnet, CBP began a compliance audit. The Company evaluated projected duties, interest and penalties that potentially may be imposed as a result of the audit and recognized a contingent liability of $10,000,000 which was recorded to goodwill in fiscal 2011. Depending on the ultimate resolution of the matter with CBP, the Company estimates that the range of the potential exposure associated with the liability may be up to $73,000,000; however, the Company believes the contingent liability recorded is a reasonable estimate of the liability based upon the facts currently available at this time.

Other

During fiscal 2012, the Company recorded $6,665,000 for (i) a legal claim associated with an acquired business for a potential royalty claim related to periods prior to acquisition by Avnet and (ii) a legal claim associated with an indemnification of a prior divested business.

From time to time, the Company may become a party to, or otherwise involved in various lawsuits, claims, investigations and other legal proceedings arising in the ordinary course of conducting its business. While litigation is subject to inherent uncertainties, management does not anticipate that any ongoing matters will have a material adverse effect on the Company’s financial condition, liquidity or results of operations.

14. Earnings per share

Basic earnings per share is computed based on the weighted average number of common shares outstanding and excludes any potential dilution. Diluted earnings per share reflect potential dilution from the exercise or conversion of securities into common stock.

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Thousands, except per share data)		
Numerator:			
Net income for basic and diluted earnings per share	$ 450,073	$ 567,019	$ 669,069
Denominator:			
Weighted average common shares for basic earnings per share	137,951	147,278	152,481
Net effect of dilutive stock options and performance share awards	2,052	2,275	1,856
Weighted average common shares for diluted earnings per share	140,003	149,553	154,337
Basic earnings per share	$ 3.26	$ 3.85	$ 4.39
Diluted earnings per share	$ 3.21	$ 3.79	$ 4.34

Options to purchase 565,840 shares of the Company's stock for fiscal 2013 and 238,000 shares for both fiscal 2012 and 2011, were excluded from the calculations of diluted earnings per shares because the exercise price for those options was above the average market price of the Company’s stock during those periods. Inclusion of these options in the diluted earnings per share calculation would have had an anti-dilutive effect.

15. Additional cash flow information

Other non-cash and reconciling items consist of the following:

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Thousands)		
Provision for doubtful accounts	$ 30,802	$ 35,632	$ 39,255
Periodic pension costs (Note 10)	36,993	24,172	17,295
Other, net	7,532	6,459	296
Total	$ 75,327	$ 66,263	$ 56,846

Interest and income taxes paid during the last three years were as follows:

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Thousands)		
Interest	$ 106,735	$ 89,529	$ 91,946
Income taxes	$ 141,196	$ 192,717	$ 158,372

The Company includes bank overdrafts as part of accounts payable on its consolidated balance sheets and reflects changes in such balances as part of cash flows from operating activities in its consolidated statements of cash flows.

Non-cash activity during fiscal 2013, 2012 and 2011 included amounts recorded through comprehensive income and, therefore, are not included in the consolidated statement of cash flows. Fiscal 2013 included an adjustment to pension liabilities (including non-U.S. pension liabilities) of $49,192,000 , which was recorded net of related deferred tax benefit of $19,062,000 in other comprehensive income (see Notes 4 and 10). Other non-cash activities included assumed debt of $66,367,000 and assumed liabilities of $203,626,000 as a result of the acquisitions completed in fiscal 2013 (see Note 2), divestitures, and purchase accounting adjustments to prior year acquisitions that occurred during the purchase price allocation period.

Fiscal 2012 included an adjustment to increase pension liabilities (including non-U.S. pension liabilities) of $85,010,000 which was recorded net of related deferred tax benefit of $32,382,000 in other comprehensive income (see Notes 4 and 10). Other non-cash activities included assumed debt of $34,765,000 and assumed liabilities of $214,325,000 as a result of the acquisitions completed in fiscal 2012 (see Note 2).

Fiscal 2011 included an adjustment to increase pension liabilities (including non-U.S. pension liabilities) of $31,987,000 which was recorded net of related deferred tax benefit of $12,022,000 in other comprehensive income (see Notes 4 and 10). Other non-cash activities included assumed debt of $420,259,000 and assumed liabilities of $509,812,000 as a result of the acquisitions completed in fiscal 2011 (see Note 2).

16. Segment information

Electronics Marketing and Technology Solutions are the overall segments upon which management primarily evaluates the operations of the Company and upon which management bases its operating decisions. Therefore, the segment data that follows reflects these two segments.

EM markets and sells semiconductors and interconnect, passive and electromechanical devices and embedded products. EM markets and sells its products and services to a diverse customer base serving many end-markets including automotive, communications, computer hardware and peripheral, industrial and manufacturing, medical equipment, military and aerospace. EM also offers an array of value-added services that help customers evaluate, design-in and procure electronic components throughout the lifecycle of their technology products and systems, including supply-chain management, engineering design, inventory replenishment systems, connector and cable assembly and semiconductor programming.

TS markets and sells mid- to high-end servers, data storage, software, and the services required to implement these products and solutions to the value-added reseller channel. TS also focuses on the worldwide original equipment manufacturers (“OEM”) market for computing technology, system integrators and non-PC OEMs that require embedded systems and solutions including engineering, product prototyping, integration and other value-added services.

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Millions)		
Sales:			
Electronics Marketing	$ 15,094.4	$ 14,933.1	$ 15,066.2
Technology Solutions	10,364.5	10,774.4	11,468.2
	$ 25,458.9	$ 25,707.5	$ 26,534.4
Operating income (loss):			
Electronics Marketing	$ 624.0	$ 751.4	$ 832.5
Technology Solutions	278.4	319.3	286.7
Corporate	(126.9)	(112.9)	(112.0)
	775.5	957.8	1,007.2
Restructuring, integration and other charges (Note 17)	(149.5)	(73.6)	(77.2)
	$ 626.0	$ 884.2	$ 930.0
Assets:			
Electronics Marketing	$ 6,316.3	$ 6,024.3	$ 5,890.9
Technology Solutions	3,838.4	3,738.5	3,765.2
Corporate	320.0	405.1	249.5
	$ 10,474.7	$ 10,167.9	$ 9,905.6
Capital expenditures:			
Electronics Marketing	$ 24.1	$ 58.5	$ 69.8
Technology Solutions	26.6	41.3	57.4
Corporate	46.7	28.8	21.5
	$ 97.4	$ 128.6	$ 148.7
Depreciation & amortization expense:			
Electronics Marketing	$ 51.8	$ 38.9	$ 28.3
Technology Solutions	47.3	39.2	30.0
Corporate	21.6	23.2	23.1
	$ 120.7	$ 101.3	$ 81.4
Sales, by geographic area, are as follows:			
Americas (1)	$ 10,716.6	$ 11,499.3	$ 11,518.5
EMEA (2)	7,277.9	7,408.9	8,393.4
Asia/Pacific (3)	7,464.4	6,799.3	6,622.5
	$ 25,458.9	$ 25,707.5	$ 26,534.4
Property, plant and equipment, net, by geographic area:			
Americas (4)	$ 283.0	$ 278.5	$ 242.5
EMEA (5)	177.9	150.8	150.6
Asia/Pacific	31.7	31.9	26.1
	$ 492.6	$ 461.2	$ 419.2

(1) Includes sales in the United States of $9.4 billion, $10.0 billion and $10.0 billion for fiscal 2013, 2012 and 2011, respectively.

(2) Includes sales in Germany and the United Kingdom of $2.8 billion and $1.2 billion, respectively, for fiscal 2013. Includes sales in Germany and the United Kingdom of $2.6 billion and $1.4 billion, respectively, for fiscal 2012. Includes sales in Germany and the United Kingdom of $3.1 billion and $1.7 billion, respectively, for fiscal 2011.

(3) Includes sales of $2.3 billion, $2.4 billion and $1.2 billion in Taiwan, China (including Hong Kong) and Singapore, respectively, for fiscal 2013. Includes sales of $1.9 billion, $2.3 billion and $1.2 billion in Taiwan, China (including Hong Kong) and Singapore, respectively, for fiscal 2012. Includes sales of $1.8 billion, $2.4 billion and $1.2 billion in Taiwan, China (including Hong Kong) and Singapore, respectively, for fiscal 2011.

(4) Includes property, plant and equipment, net, of $273.4 million, $266.7 million and $231.3 million in the United States for fiscal 2013, 2012 and 2011, respectively.

(5) Includes property, plant and equipment, net, of $92.7 million, $45.1 million, and $13.1 million in Germany, Belgium and the United Kingdom, respectively, for fiscal 2013. Fiscal 2012 includes property, plant and equipment, net, of $90.6 million in Germany, $26.4 million in Belgium and $17.3 million in the United Kingdom. Fiscal 2011 includes property, plant and equipment, net, of $92.8 million in Germany, $23.4 million in Belgium and $16.4 million in the United Kingdom.

The Company manages its business based upon the operating results of its two operating groups before restructuring, integration and other charges (see Note 17).

Listed in the table below are the major product categories and the Company's approximate sales of each during the past three fiscal years:

	Years Ended		
	June 29, 2013	June 30, 2012	July 2, 2011
	(Millions)		
Semiconductors	$ 13,720.8	$ 13,461.6	$ 14,149.3
Computer products	9,346.0	9,984.4	10,284.6
Connectors	687.6	667.5	1,041.4
Passives, electromechanical and other	1,704.5	1,594.0	1,059.1
	$ 25,458.9	$ 25,707.5	$ 26,534.4

17. Restructuring, integration and other charges

Fiscal 2013

During fiscal 2013, the Company initiated actions to reduce costs in both operating groups in response to current market conditions and incurred acquisition and integration costs associated with acquired businesses. As a result, the Company incurred restructuring, integration and other charges as presented in the following table.

	Year Ended June 29, 2013
	(Thousands)
Restructuring charges	$ 120,048
Integration costs	35,742
Acquisition costs and adjustments	(3,224)
Reversal of excess prior year restructuring reserves	(3,065)
Pre-tax restructuring, integration and other charges	$ 149,501
After tax restructuring, integration and other charges	$ 116,382
Restructuring, integration and other charges per share on a diluted basis	$ 0.83

The activity related to the restructuring charges incurred during fiscal 2013 is presented in the following table:

	Severance Reserves	Facility Exit Costs	Other	Total
	(Thousands)			
Fiscal 2013 pre-tax charges	$ 73,337	$ 34,373	$ 12,338	$ 120,048
Cash payments	(47,930)	(3,421)	(2,116)	(53,467)
Non-cash write-downs	—	(14,550)	(9,765)	(24,315)
Other, principally foreign currency translation	(153)	(191)	(87)	(431)
Balance at June 29, 2013	$ 25,254	$ 16,211	$ 370	$ 41,835

Severance charges recorded in fiscal 2013 related to the reduction of over 1,600 employees in sales and business support functions in connection with the cost reduction actions taken in all three regions in both operating groups with employee reductions of 1,100 in EM, 400 in TS and 150 in business support functions. Facility exit costs for vacated facilities related to 32 facilities in the Americas, 26 in EMEA and 11 in the Asia region and consisted of reserves for remaining lease liabilities and the write-down of fixed assets. Other restructuring charges related primarily to other onerous lease obligations that have no ongoing benefit to the Company as well as a loss of $6,634,000 recognized in the third quarter of fiscal 2013 from the write-down of the net assets and goodwill associated with the planned exit of a non-integrated business in the EM Americas region that occurred in the fourth quarter of fiscal 2013. Of the $120,048,000 pre-tax restructuring charges recorded during fiscal 2013, $68,873,000 related to EM, $47,965,000 related to TS and $3,209,000 related to business support functions. As of June 29, 2013, management expects the majority of the remaining severance reserves to be utilized by the end of fiscal 2015, facility exit cost reserves to be utilized by the end of fiscal 2018, and other to be utilized by 2014.

Integration costs incurred related to the integration of acquired businesses and incremental costs incurred as part of the consolidation and closure of certain office and warehouse locations. Integration costs included IT consulting costs for system integration assistance, facility moving costs, legal fees, and travel, meeting, marketing and communication costs that were incrementally incurred as a result of the integration activity. Also included in integration costs are incremental salary costs associated with the consolidation and closure activities as well as costs associated with acquisition activity, primarily related to the acquired businesses' personnel who were retained by Avnet following the close of the acquisitions solely to assist in the integration of the acquired businesses' IT systems and administrative and logistics operations into those of Avnet. These identified personnel have no other meaningful day-to-day operational responsibilities outside of the integration effort. Included in integration costs during the third quarter of fiscal 2013 is a loss of $8,789,000 related to the exit of two multi-employer pension plans associated with acquired entities in Japan.

Acquisition costs incurred during fiscal 2013 related primarily to professional fees for advisory services and legal and accounting due diligence procedures and other legal costs associated with acquisitions.

During fiscal 2013, the Company recorded credits to restructuring, integration and other charges related to the reversal of restructuring reserves established in prior years that were deemed to be no longer required. Included in acquisition related costs is a credit of $11,172,000 related to the reversal of an earn-out liability for which payment is no longer expected to be incurred.

Fiscal 2012

During fiscal 2012, the Company incurred charges related primarily to the acquisition and integration activities associated with acquired businesses (see Note 2) and also recorded credits related to prior restructuring reserves and acquisition adjustments.

	Year Ended June 30, 2012
	(Thousands)
Restructuring charges	$ 50,253
Integration costs	9,392
Acquisition costs	10,561
Reversal of excess prior year restructuring reserves	(3,286)
Prior year acquisition adjustments	6,665
Pre-tax restructuring, integration and other charges	$ 73,585
After tax restructuring, integration and other charges	$ 52,963
Restructuring, integration and other charges per share on a diluted basis	$ 0.35

The fiscal 2013 activity related to the remaining restructuring reserves from fiscal 2012 is presented in the following table:

	Severance Reserves	Facility Exit Costs	Other	Total
		(Thousands)		
Balance at June 30, 2012	$ 9,746	$ 4,544	$ 1,347	$ 15,637
Cash payments	(7,899)	(2,495)	(939)	(11,333)
Adjustments	(1,091)	(1,019)	(153)	(2,263)
Other, principally foreign currency translation	183	14	33	230
Balance at June 29, 2013	$ 939	$ 1,044	$ 288	$ 2,271

Severance charges recorded in fiscal 2012 related to over 800 employees in sales, administrative and finance functions in connection with the cost reduction actions taken in all three regions in both operating groups with employee reductions of approximately 480 in EM and 320 in TS. Facility exit costs for vacated facilities related to 12 facilities in the Americas, 5 in EMEA and 13 in the Asia/Pac region and consisted of reserves for remaining lease liabilities and the write-down of leasehold improvements and other fixed assets. Other restructuring charges related primarily to other onerous lease obligations that have no ongoing benefit to the Company. Of the $50,253,000 pre-tax restructuring charges recorded during fiscal 2012, $27,537,000 related to EM and $22,716,000 related to TS and the remaining related to corporate charges. As of June 29, 2013, management expects the majority of the remaining severance reserves to be utilized by the end of fiscal 2016 and the remaining facility exit cost and other reserves to be utilized by the end of fiscal 2014.

Integration costs incurred related to the integration of acquired businesses and incremental costs incurred as part of the consolidation and closure of certain office and warehouse locations. Integration costs included IT consulting costs for system integration assistance, facility moving costs, legal fees, and travel, meeting, marketing and communication costs that were incrementally incurred as a result of the integration activity. Also included in integration costs are incremental salary costs associated with the consolidation and closure activities as well as costs associated with acquisition activity, primarily related to the acquired businesses' personnel who were retained by Avnet following the close of the acquisitions solely to assist in the integration of the acquired businesses' IT systems and administrative and logistics operations into those of Avnet. These identified personnel have no other meaningful day-to-day operational responsibilities outside of the integration effort.

Acquisition transaction costs incurred during fiscal 2012 related primarily to professional fees for advisory services and legal and accounting due diligence procedures and other legal costs associated with acquisitions.

During fiscal 2012, the Company recorded credits to restructuring, integration and other charges related to the reversal of restructuring reserves established in prior years that were deemed to be no longer required.

In addition, the Company recorded $6,665,000 for (i) a legal claim associated with an acquired business and a potential royalty claim related to periods prior to acquisition by Avnet and (ii) a legal claim associated with an indemnification of a prior divested business.

Fiscal 2011

During fiscal 2011, the Company incurred charges related primarily to the acquisition and integration activities associated with acquired businesses (see Note 2) and also recorded credits related to prior restructuring reserves and acquisition adjustments.

	Year Ended July 2, 2011 (Thousands)
Restructuring charges	$ 47,763
Integration costs	25,068
Acquisition costs	15,597
Reversal of excess prior year restructuring reserves	(6,076)
Prior year acquisition adjustments	(5,176)
Pre-tax restructuring, integration and other charges	$ 77,176
After tax restructuring, integration and other charges	$ 56,169
Restructuring, integration and other charges per share on a diluted basis	$ 0.36

Severance charges recorded in fiscal 2011 related to personnel reductions of over 550 employees in administrative, finance and sales functions primarily in connection with the integration of the acquired Bell business into the existing EM Americas, TS Americas and TS EMEA regions and, to a lesser extent, other cost reduction actions. Facility exit costs consisted of lease liabilities, fixed asset write-downs and other related charges associated with 50 vacated facilities: 23 in the Americas, 25 in EMEA and 2 in the Asia/Pac region.

Integration costs incurred related to the integration of acquired businesses and incremental costs incurred as part of the consolidation and closure of certain office and warehouse locations. Integration costs included IT consulting costs for system integration assistance, facility moving costs, legal fees, travel, meeting, marketing and communication costs that were incrementally incurred as a result of the integration activity. Also included in integration costs are incremental salary costs associated with the consolidation and closure activities as well as costs associated with acquisition activity, primarily related to the acquired businesses' personnel who were retained by Avnet following the close of the acquisitions solely to assist in the integration of the acquired businesses' IT systems and administrative and logistics operations into those of Avnet. These identified personnel have no other meaningful day-to-day operational responsibilities outside of the integration effort.

Acquisition costs incurred during fiscal 2011 related primarily to professional fees for advisory and broker services, legal and accounting due diligence, and other legal costs associated with the acquisition.

During fiscal 2011, the Company recorded credits to restructuring, integration and other charges related to (i) the reversal of restructuring reserves established in prior years that were deemed to be no longer required, (ii) acquisition adjustments for which the purchase allocation period had closed and (iii) exit-related reserves originally established through goodwill in prior years that were deemed no longer required.

Fiscal 2011 and prior reserve activity

In addition to the fiscal 2011 restructuring activity, the Company incurred restructuring charges under prior restructuring plans. The fiscal 2013 activity related to the remaining reserves associated with these restructuring actions is presented in the following table:

	Severance Reserves	Facility Exit Costs	Other	Total
	(Thousands)			
Balance at June 30, 2012	$ 443	$ 4,977	$ 905	$ 6,325
Cash payments	(138)	(2,791)	(120)	(3,049)
Adjustments	(158)	(616)	(117)	(891)
Other, principally foreign currency translation	20	12	(1)	31
Balance at June 29, 2013	$ 167	$ 1,582	$ 667	$ 2,416

As of June 29, 2013, management expects the majority of the remaining severance and other reserves to be utilized by the end of fiscal 2020 and the remaining facility exit cost reserves to be utilized by the end of fiscal 2016.

18. Summary of quarterly results (unaudited):

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year(a)
	(Millions, except per share amounts)				
(b) 2013					
Sales	$ 5,870.1	$ 6,699.5	$ 6,298.7	$ 6,590.7	$ 25,459.0
Gross profit	684.4	768.5	756.0	770.9	2,979.8
Net income	100.3	137.5	86.2	126.1	450.1
Diluted earnings per share	0.70	0.99	0.62	0.91	3.21
(c) 2012					
Sales	$ 6,426.0	$ 6,693.6	$ 6,280.5	$ 6,307.4	$ 25,707.5
Gross profit	753.6	784.1	753.8	759.0	3,050.5
Net income	139.0	147.0	147.6	133.4	567.0
Diluted earnings per share	0.90	0.98	1.00	0.91	3.79

(a) Quarters may not add to the year due to rounding.

(b) First quarter of fiscal 2013, results were impacted by restructuring, integration and other charges of $37.4 million pre-tax, $27.1 million after tax and $0.19 per share on a diluted basis. The charges consisted of severance, facility exit costs, integration costs, transaction costs, other restructuring charges, and a credit to adjust prior year restructuring reserves. The Company recognized a gain on bargain purchase of $31.3 million pre- and after tax and $0.22 per share on a diluted basis related to the acquisition of Internix, Inc., and an income tax adjustment of $12.2 million primarily related to a favorable settlement of an income tax audit. Second quarter results were impacted by restructuring, integration and other charges of $24.9 million pre-tax, $19.9 million after tax and $0.14 per share on a diluted basis. The charges consisted of severance, facility exit costs fixed asset write-downs, integration costs, transaction costs, other charges, and a reversal to adjust prior year restructuring reserves. The Company recorded a net gain of $0.1 million pre- and after tax share consisting of an adjustment of $1.7 million pre-and after tax to increase the gain on bargain purchase recorded in the first quarter of 2013 offset by a loss on a divestiture related to a small business in TS Asia. The Company also recorded an income tax adjustment of $17.4 million related to a favorable audit settlement of a U.S. income tax audit for an acquired company. Third quarter results were impacted by restructuring, integration and other charges of $27.3 million pre-tax, $25.8 million after tax and $0.18 per share on a diluted basis. The charges consisted of severance, facility exit costs, integration costs, transaction costs, other restructuring charges, and a credit to adjust prior year restructuring reserves. The Company recorded a loss of $8.8 million in integration-related costs due to the exit of two multi-employer pension plans associated with acquired entities in Japan, a credit of $11.2 million in acquisition charges related to the reversal of an earn-out liability, and $6.6 million in other charges related to the write-down of the net assets and goodwill associated with the planned exit of a non-integrated business in the EM Americas region. The Company also recorded an income tax adjustment of $13.4 million primarily related to the increase to a valuation allowance against existing deferred tax assets and increases to tax reserves. Fourth quarter results were impacted by restructuring, integration and other charges of $59.8 million pre-tax, $43.6 million after tax and $0.31 per share on a diluted basis. These charges included severance, facility exit costs, integration costs, transaction costs, other restructuring charges and other charges related to legal claims. The Company recorded a small adjustment to the gain on bargain purchase related to the business in Japan acquired in the third quarter. The Company also recorded a net tax benefit of $34.2 million, which is comprised of (i) a tax benefit of $41.6 million for the release of valuation allowances against deferred tax assets that were determined to be realizable during the fourth quarter of fiscal 2013, (ii) a tax benefit of $6.7 million related to the release of existing reserves due to audit settlement and statute expiration, partially offset by (iii) a tax provision of $14.1 million primarily related to the establishment of tax reserves against deferred tax assets that were determined to be unrealizable during the fourth quarter of fiscal 2013.

(c) Second quarter of fiscal 2012 included restructuring, integration and other charges of $34.5 million pre-tax, $23.6 million after tax and $0.16 per share on a diluted basis. The charges consisted of severance, facility exit costs, integration costs, transaction costs, other restructuring charges, and a credit to adjust prior year restructuring reserves. The Company also recorded $1.4 million pre-tax, $0.9 million after tax and $0.01 per share on a diluted basis related to the write-down of a small investment and the write-off of deferred financing costs associated with the early retirement of a credit facility, and an income tax adjustment of $0.5 million primarily related to the combination of a favorable audit settlement and release of a valuation allowance on certain deferred tax assets which were determined to be realizable, mostly offset by changes to existing tax positions primarily for transfer pricing. Third quarter results were impacted by restructuring, integration and other charges of $18.6 million pre-tax, $13.7 million after tax and $0.10 per share on a diluted basis. The charges consisted of severance, facility exit costs, fixed asset write-downs, integration costs, transaction costs, other charges, and a reversal to adjust prior year restructuring reserves. The Company also recognized a gain on bargain purchase of $4.5 million pre- and after tax and $0.03 per share on a diluted basis related to the acquisition of Unidux Electronics Limited (Singapore), and an income tax adjustment of $5.2 million and $0.04 per share on a diluted basis related primarily to the combination of favorable audit settlements, certain reserve releases and the release of a valuation allowance on deferred tax assets which were determined to be realizable. Fourth quarter results were impacted by restructuring, integration and other charges of $20.5 million pre-tax, $15.7 million after tax and $0.11 per share on a diluted basis. These charges included severance, facility exit costs, integration costs, transaction costs, other restructuring charges and other charges related to legal claims. During the fourth quarter, the Company recognized a small adjustment to the gain on bargain purchase related to the business in Japan acquired in the third quarter; and a net tax benefit of $4.0 million and $0.03 per share on a diluted basis which is comprised of (i) a tax benefit of $26.3 million for the release of tax reserves against deferred tax assets that were determined to be realizable during the fourth quarter of fiscal 2012, partially offset by (ii) a tax provision of $22.3 million primarily related to the impact of withholding tax related to legal entity reorganizations and the establishment of tax reserves against deferred tax assets that were determined to be unrealizable during the fourth quarter of fiscal 2012.

SCHEDULE II

AVNET, INC. AND SUBSIDIARIES

VALUATION AND QUALIFYING ACCOUNTS
Years Ended June 29, 2013, June 30, 2012 and July 2, 2011

Column A	Column B	Column C		Column D	Column E
		Additions			
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts — Describe	Deductions — Describe	Balance at End of Period
			(Thousands)		
Fiscal 2013					
Allowance for doubtful accounts	$ 106,319	$ 30,802	$ —	$ (41,465) (a)	$ 95,656
Valuation allowance on foreign tax loss carry-forwards (Note 9)	244,093	(41,572) (b)	28,300 (c)	—	230,821
Fiscal 2012					
Allowance for doubtful accounts	107,739	35,632	—	(37,052) (a)	106,319
Valuation allowance on foreign tax loss carry-forwards (Note 9)	310,772	(30,785) (d)	(35,894) (e)	—	244,093
Fiscal 2011					
Allowance for doubtful accounts	81,197	39,255	—	(12,713) (a)	107,739
Valuation allowance on foreign tax loss carry-forwards (Note 9)	331,423	(76,055)	55,404 (f)	—	310,772

(a) Uncollectible accounts written off.

(b) Represents a reduction primarily due to the release of valuation allowance in EMEA, of which $31,867,000 impacted the effective tax rate offset by $4,812,000 , which impacted deferred taxes associated with the release of the valuation allowance (see Note 9).

(c) Primarily related to additional valuation allowances for newly acquired companies and companies with a history of losses.

(d) Represents a reduction primarily due to the release of valuation allowance in EMEA, of which $26,231,000 impacted the effective tax rate offset by $4,554,000 , which impacted deferred taxes associated with the release of the valuation allowance.

(e) Primarily relates to the translation impact of changes in foreign currency exchange rates and acquired valuation allowances.

(f) Includes the impact of deferred tax rate changes, the translation impact of changes in foreign currency exchange rates and the increase of valuation allowance against associated deferred tax benefits as it was determined the related operating tax loss carry-forward cannot be utilized.

INDEX TO EXHIBITS

Exhibit Number		Exhibit
3.1		Restated Certificate of Incorporation of the Company (incorporated herein by reference to the Company's Current Report on Form 8-K dated February 12, 2001, Exhibit 3(i)).
3.2		By-laws of the Company, effective August 11, 2011 (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 16, 2011 Exhibit 3.1).
4.1		Indenture dated as of March 5, 2004, by and between the Company and JP Morgan Trust Company, National Association (incorporated herein by reference to the Company’s Current Report on Form 8-K dated March 8, 2004, Exhibit 4.1).
4.2		Officers' Certificate dated August 19, 2005, establishing the terms of the 6.00% Notes due 2015 (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 19, 2005, Exhibit 4.2).
4.3		Officers' Certificate dated September 12, 2006, establishing the terms of the 6.625% Notes due 2016 (incorporated herein by reference to the Company's Current Report on Form 8-K dated September 12, 2006, Exhibit 4.2).
4.4		Officers’ Certificate dated March 7, 2007, establishing the terms of the 5 7/8% Notes due 2014 (incorporated herein by reference to the Company’s Current Report on Form 8-K dated March 7, 2007, Exhibit 4.2).
4.5		Indenture dated as of June 22, 2010, between the Company and Wells Fargo Bank, National Association, as Trustee, providing for the issuance of Debt Securities in one or more series (incorporated herein by reference to the Company’s Current Report on Form 8-K dated June 22, 2010, Exhibit 4.1).
4.6		Officers’ Certificate establishing the terms of the 5.875% Notes due 2020 (incorporated herein by reference to the Company’s Current Report on Form 8-K dated June 22, 2010, Exhibit 4.2).
4.7		Officers' Certificate establishing the terms of the 4.875% Notes due 2022 (incorporated herein by reference to the Company's Current Report on Form 8-K dated November 21, 2012, Exhibit 4.1).
		Note: The total amount of securities authorized under any other instrument that defines the rights of holders of the Company’s long-term debt does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. Therefore, these instruments are not required to be filed as exhibits to this Report. The Company agrees to furnish copies of such instruments to the Commission upon request.
		Executive Compensation Plans and Arrangements
10.1		2011 Amended and Restated Employment Agreement dated February 11, 2011 between the Company and Richard Hamada (incorporated herein by reference to the Company’s Current Report on Form 8-K dated February 14, 2011, Exhibit 10.2).
10.2		Form of Change of Control Agreement between the Company Richard Hamada, Gerry Fay, Erin Lewin and Steve Phillips (incorporated herein by reference to the Company’s Current Report on Form 8-K dated February 14, 2011, Exhibit 10.3).
10.3	*	Form of Employment Agreement by and between the Company and Erin Lewin.
10.4		Form of Employment Agreement between the Company and each of Phillip Gallagher, Steve Phillips and Ray Sadowski (incorporated herein by reference to the Company's Current Report on Form 8-K dated December 22, 2008, Exhibit 10.2).
10.5	*	Form of Employment Agreement between the Company and each of Gerry Fay and Harley Feldberg.
10.6		Form of Change of Control Agreement between the Company and each of Harley Feldberg, Phillip Gallagher, MaryAnn Miller, and Ray Sadowski (incorporated herein by reference to the Company's Current Report on Form 8-K dated December 22, 2008, Exhibit 10.3).

10.7	Letter Agreement by and between Kevin Moriarty and the Company (incorporated by reference to the Company's Current Report on Form 8-K dated December 12, 2012, Exhibit 10.1).
10.8	Avnet 1995 Stock Option Plan (incorporated herein by reference to the Company’s Current Report on Form 8-K dated February 12, 1996, Exhibit 10).

Exhibit Number		Exhibit
10.9		Avnet 1996 Incentive Stock Option Plan (incorporated herein by reference to the Company's Registration Statement on Form S-8, Registration No. 333-17271, Exhibit 99).
10.10		Amended and Restated Avnet 1997 Stock Option Plan (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 29, 2006, Exhibit 10.1).
10.11		Retirement Plan for Outside Directors of Avnet, Inc., (Amended and Restated Effective Generally as of January 1, 2009) (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 13, 2010, Exhibit 10.1).
10.12		Avnet, Inc. Deferred Compensation Plan for Outside Directors (Amended and Restated Effective Generally as of January 1, 2009) (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 13, 2010, Exhibit 10.2).
10.13	*	Avnet Supplemental Executive Officers' Retirement Plan (2013 Restatement).
10.14	*	Avnet Restoration Plan (2013 Restatement).
10.15		Avnet 1999 Stock Option Plan (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 29, 2006 Exhibit 10.2).
10.16		Avnet, Inc. Executive Incentive Plan (incorporated herein by reference to Appendix A to the Company's Proxy Statement dated November 2, 2012, Exhibit 10.1).
10.17		Avnet, Inc. 2003 Stock Compensation Plan (Amended and Restated Effective Generally as of January 1, 2009) (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 13, 2010, Exhibit 10.4).
10.18		Avnet, Inc. 2003 Stock Compensation Plan: (a) Form of nonqualified stock option agreement (b) Form of nonqualified stock option agreement for non-employee director (c) Form of incentive stock option agreement (d) Form of performance stock unit term sheet (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 29, 2006, Exhibit 10.3).
10.19		Avnet, Inc. 2006 Stock Compensation Plan (Amended and Restated Effective Generally as of January 1, 2009) (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 13, 2010, Exhibit 10.5).
10.20		Avnet, Inc. 2006 Stock Compensation Plan: (a) Form of nonqualified stock option agreement (b) Form of nonqualified stock option agreement for non-employee director (c) Form of performance stock unit term sheet (revised effective August 13, 2009 by (f) below) (d) Form of incentive stock option agreement (e) Long Term Incentive Letter (incorporated herein by reference to the Company's Current Report on Form 8-K dated May 16, 2007, Exhibit 99.1). (f) Form of performance stock unit term sheet (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 19, 2009, Exhibit 99.1).
10.21		Avnet, Inc. 2010 Stock Compensation Plan (incorporated herein by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-8, Registration No. 333-171291).
10.22		Avnet, Inc. 2010 Stock Compensation Plan: (a) Form of nonqualified stock option agreement (b) Form of incentive stock option agreement (c) Form of performance stock unit term sheet (d) Form of restricted stock unit term sheet

Exhibit Number	Exhibit
	(incorporated herein by reference to the Company’s Current Report on Form 8-K dated August 10, 2012, Exhibit 10.1).
10.23	Avnet Deferred Compensation Plan (Amended and Restated Effective Generally as of January 1, 2009) (incorporated herein by reference to the Company’s Current Report on Form 8-K dated August 13, 2010, Exhibit 10.6).
10.24	Amendment No. 1 to Avnet Deferred Compensation Plan (Amended and Restated Effective Generally as of January 1, 2009) (incorporated herein by reference to the Company's Annual Report on Form 10-K dated August 12, 2011, Exhibit 10.21).
10.25	Form of Indemnity Agreement. The Company enters into this form of agreement with each of its directors and officers (incorporated herein by reference to the Company’s Quarterly Report on Form 10-Q dated May 8, 2006, Exhibit 10.1).
10.26	Form option agreements for stock option plans (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 8, 2004, Exhibit 10.4). (a) Non-Qualified stock option agreement for 1999 Stock Option Plan (b) Incentive stock option agreement for 1999 Stock Option Plan (c) Incentive stock option agreement for 1996 Stock Option Plan (d) Non-Qualified stock option agreement for 1995 Stock Option Plan
	Bank Agreements
10.27	Securitization Program
	(a) Receivables Sale Agreement, dated as of June 28, 2001 between Avnet, Inc., as Originator, and Avnet Receivables Corporation as Buyer (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 26, 2002, Exhibit 10J).
	(b) Amendment No. 1, dated as of February 6, 2002, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 26, 2002, Exhibit 10K).
	(c) Amendment No. 2, dated as of June 26, 2002, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 26, 2002, Exhibit 10L).
	(d) Amendment No. 3, dated as of November 25, 2002, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated December 17, 2002, Exhibit 10B).
	(e) Amendment No. 4, dated as of December 12, 2002, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated December 17, 2002, Exhibit 10E).
	(f) Amendment No. 5, dated as of August 15, 2003, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 15, 2003, Exhibit 10C).
	(g) Amendment No. 6, dated as of August 3, 2005, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 13, 2005, Exhibit 10.1).
	(h) Amendment No. 7, dated as of August 29, 2007, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated August 13, 2010, Exhibit 10.7).
	(i) Amendment No. 8, dated as of August 26, 2010, to Receivables Sale Agreement in 10.27(a) above (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 1, 2010, Exhibit 10.2).
	(j) Second Amended and Restated Receivables Purchase Agreement dated as of August 26, 2010 among Avnet Receivables Corporation, as Seller, Avnet, Inc., as Servicer, the Financial Institutions party thereto and JPMorgan Chase Bank, N.A. as Agent (incorporated herein by reference to the Company’s Current Report on Form 8-K dated September 1, 2010, Exhibit 10.1).

Exhibit Number		Exhibit
		(k) Amendment No. 1, dated as of December 28, 2010, to the Second Amended and Restated Receivables Purchase Agreement in 10.27(j) above (incorporated herein by reference to the Company’s Quarterly Report on Form 10-Q dated January 28, 2011, Exhibit 10.2).
		(l) Amendment No. 2, dated as of August 25, 2011, to the Second Amended and Restated Receivables Purchase Agreement in 10.27(j) above (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 26, 2011, Exhibit 10.1).
		(m) Amendment No. 3 dated as of March 7, 2012, to the Second Amended and Restated Receivables Purchase Agreement in 10.27(j) above (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q dated April 27, 2012, Exhibit 10.1).
		(n) Amendment No. 4 dated as of August 23, 2012, to the Second Amended and Restated Receivables Purchase Agreement in 10.27(j) above (incorporated herein by reference to the Company's Current Report on Form 8-K dated August 24, 2012, Exhibit 10.1).
10.28		Credit Agreement dated as of November 18, 2011 among Avnet, Inc., Bank of America, N.A., as Administrative Agent, and each lender thereto (incorporated herein by reference to the Company’s Current Report on Form 8-K dated November 22, 2011, Exhibit 10.1).
12.1	*	Ratio of Earnings to Fixed Charges.
21	*	List of subsidiaries of the Company as of June 29, 2013.
23.1	*	Consent of KPMG LLP.
31.1	*	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	*	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	**	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	**	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	**	XBRL Instance Document.
101.SCH	**	XBRL Taxonomy Extension Schema Document.
101.CAL	**	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	**	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	**	XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF	**	XBRL Taxonomy Extension Definition Linkbase Document.

* Filed herewith.

** Furnished herewith.

Exhibit 10.3

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made by and between _________ ("**Executive**"), and AVNET, INC., a New York corporation, with its principal executive offices at 2211 South 47th Street, Phoenix, AZ 85034 (the "**Company**"), effective as of this ____ day of ____, ____ (the "**Effective Date**").

WHEREAS, the Company wishes to provide for the continued employment of Executive; and

WHEREAS, Executive wishes to accept such continued responsibilities and employment and to render services to the Company in accordance with the provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the parties agree as follows:

1. Employment, Duties and Responsibilities

a. Employment. The Company hereby employs Executive, and Executive hereby accepts employment upon the terms and conditions set forth in this Agreement.

b. Position. On and after the Effective Date, for the term of this Agreement, Executive shall serve as ___________ of the Company. In addition, if requested by the Company's Chief Executive Officer, Executive shall serve, without additional compensation, as an officer or director of subsidiaries, divisions, or affiliates of the Company.

c. Performance of Duties. Executive agrees to devote her full-time attention and best efforts to the business and affairs of the Company. Executive shall perform all duties and responsibilities commensurate with her position(s) and shall follow the reasonable directions of the Company's Chief Executive Officer. Executive may serve on civic, charitable or corporate boards or committees, fulfill speaking engagements, and manage her personal affairs, so long as the Company reasonably determines that such activities do not interfere, compete with, or otherwise pose a conflict of interest with respect to, the performance of Executive's duties and responsibilities. Executive shall comply with Company policies and procedures as adopted from time to time, including the Company's Code of Conduct.

2. Term of Agreement

This Agreement shall be effective beginning on the Effective Date, and continuing for one (1) year thereafter. The Agreement shall automatically be extended for successive one (1) year terms unless the Company or Executive notifies the other party of its intent not to extend the Agreement at least one (1) year before the end of the then-current term. Either party may terminate the Agreement before the end of the term in accordance with Section 5, below.

3. Compensation

For all services to be rendered by Executive and for all covenants undertaken by her, the Company shall pay and Executive shall accept the following compensation:

a. Base Salary. For all services to be rendered by Executive and for all covenants undertaken by her pursuant to the Agreement, Company shall pay and Executive shall accept such compensation (including base salary and incentive compensation) as shall be agreed upon from time to time between the Company and Executive. If Executive is elected or reelected as an officer or a director of the Company or any subsidiary, division or affiliate thereof, she shall serve as such without additional compensation.

b. Incentive Programs and Bonuses.

(i) Incentive Programs. For each fiscal year of the Company during the term of the Agreement, Executive shall be eligible to receive incentive payments for services rendered during the fiscal year pursuant to the Company's Executive Incentive Plan (the "**Incentive Plan**"). The actual amount, if any, of Executive's incentive payment for each fiscal year shall be determined by the Compensation Committee (the "**Compensation Committee**") of the Board of Directors of the Company (the "**Board of Directors**") based on (and subject to) the Company's performance against goals established in accordance with the Incentive Plan, and may range from zero to any maximum established pursuant to the Incentive Plan. If Executive is employed for only part of a fiscal year, Executive's incentive payment (if any) for such fiscal year shall be pro-rated for the number of days during the fiscal year during which she was employed, and shall be paid at the end of the performance period based upon (and subject to) actual achievement of performance goals. In the event of a "change of ownership or control," within the meaning of Treas. Reg. § 1.162-27(e)(2)(v) (an "**Ownership Change**"), in which the Company has not been the acquiring and/or surviving entity, the Board or Compensation Committee of the surviving entity shall modify the performance objectives for the fiscal year in which the Ownership Change occurs to the extent necessary (if at all) to ensure that Executive's incentive opportunity for such fiscal year is at least comparable to the incentive opportunity that was expected when the performance objectives for such fiscal year were first established. In the event of a dispute regarding the extent of the modification, such dispute shall be resolved by an independent compensation consultant who is acceptable to both Executive and the Company. Such compensation consultant shall be engaged and paid by the Company. If the compensation consultant determines that (A) the existing performance objectives are no longer consistent with the intended incentive opportunity and (B) it is not practicable to revise the applicable performance objectives, Executive's incentive payment for the applicable fiscal year shall be no less than the target amount for such fiscal year. For purposes of this paragraph, the fiscal year of the Company shall be determined without regard to any Ownership Change.

(ii) Bonus Payments. In addition to any incentive payments under the Incentive Plan, Executive shall be eligible to receive such additional bonuses as may be awarded by the Committee or the Board.

(iii) Clawback Policy. Any incentive or bonus payment made to Executive shall be subject to the terms and conditions of the Company's clawback policy, as in effect and amended from time to time, including disgorgement or repayment to the extent required by such policy.

c. Participation in Equity Plans. Executive shall participate in the Company's various stock option and other equity incentive plans as in effect from time to time, subject to the terms of such plans and, to the extent applicable, Executive's executing and not revoking the restrictive covenant agreement described in Section 3.d(ii), below.

d. Employee Benefits. Executive shall be entitled to participate, on terms no less favorable than the terms offered to other senior executives of the Company, in any group and/or executive life, hospitalization or disability insurance plan, health program, profit sharing, deferred compensation plan, employee stock purchase plan, 401(k) plan, pension plan, and similar benefit plans (qualified, non-qualified, and supplemental) and other fringe benefits of the Company in effect from time to time; provided, however, that-

(i) Executive shall not be entitled to participate in or receive benefits under any severance or similar plan or program maintained by the Company (other than this Agreement and Executive's COC (as described in Section 5.h, below)); and

(ii) Executive's rights to post-termination vesting and benefits under any stock option or other equity incentive plan maintained by the Company shall be contingent on Executive executing and not revoking a mutually acceptable restrictive covenant agreement. It is anticipated that such agreement will include restrictions comparable to the restrictions set forth in Section 4, below (Restrictive Covenants), and will apply for the period during which Executive is receiving equity incentive benefits, and/or continuing to vest in equity incentive or stock option benefits.

e. <u>Vacation and Other Absences</u>. Executive shall be entitled to paid vacations each year in accordance with the Company's then-current vacation policy for senior executives. Executive shall be subject to the policies and procedures relating to other absences from regular duties for holidays, sick or disability leave, leave of absence without pay, or leave for other reasons, as those customarily provided to the Company's senior executives.

f. <u>Expenses</u>. The Company shall reimburse Executive's travel, entertainment, and other business expenses that are reasonably and necessarily incurred by her in the course of performing her duties and properly documented, all in accordance with the Company's policies as in effect from time to time.

4. **Restrictive Covenants**

Executive acknowledges and recognizes (i) her possession of Confidential Information (as defined in Section 4.b, below), (ii) the highly competitive nature of the business of the Company and its affiliates and subsidiaries, which is worldwide in scope, and (iii) that reasonable restrictions on Executive's future business endeavors and Executive's ability to disclose Confidential Information are necessary to protect valuable client and customer relationships of the Company. Accordingly, in consideration of the premises contained herein, Executive agrees to the restrictions set forth in this Section 4.

a. <u>Non-Competition</u>. Executive agrees that during the term of this Agreement Executive shall not, either individually or as an officer, director, stockholder, member, partner, agent, employee, consultant, principal, or committee-member of another business firm or sole proprietorship, (i) engage in, or be connected in any manner with, any business operating anywhere in the world that is in direct or indirect competition with any active business of the Company or any of its affiliates or subsidiaries, or any planned business of the Company or any of its affiliates or subsidiaries of which Executive is aware (each a "**Competitive Business**"); (ii) be employed by an entity or person that controls a Competitive Business; or (iii) directly or indirectly solicit any customer or client of the Company or any of its affiliates or subsidiaries; provided, however, that the restrictions set forth in this Section 4.a shall not prohibit Executive from being a passive shareholder of a public company if Executive owns less than one percent (1%) of such company.

b. <u>Confidential Information</u>. Executive agrees that she shall not, at any time during the term of this Agreement or thereafter, disclose to another, or use for any purpose other than performing her duties and responsibilities under this Agreement, any Confidential Information. For purposes of this Agreement, Confidential Information includes all trade secrets and confidential information of the Company and its affiliates and subsidiaries including, but not limited to, the Company's unique business methods, processes, operating techniques and “know-how” (all of which have been developed by the Company or its affiliates and subsidiaries through substantial effort and investment), profit and loss results, market and supplier strategies, customer identity and needs, information pertaining to employee effectiveness and compensation, inventory strategy, product costs, gross margins, and other information relating to the affairs of the Company and its affiliates and subsidiaries that Executive shall have acquired during her employment with the Company.

c. Non-Solicitation of Employees. Executive agrees that she shall not, at any time during the term of this Agreement, including all renewals, and for five (5) years thereafter, directly or indirectly solicit or induce any of the employees of the Company or any of its affiliates or subsidiaries to terminate employment with their employer.

5. **Termination Rights and Responsibilities**

The Company may terminate Executive's employment with or without cause, and Executive may voluntarily terminate her employment, at any time during the term of this Agreement, subject to the provisions of this Section 5.

a. Executive Voluntary Termination. Except to the extent otherwise provided in subsection b, below (Executive Termination Upon Change in Office and Duties), if Executive wishes to terminate her employment under this Agreement, she must provide written notice of such intent at least one (1) year before her intended termination date. For the period from when she provides such notice through her termination date, Executive shall continue to be paid her base salary and other compensation required by Section 3, above. Any annual incentive payment for such period shall be paid at the end of the performance period, at the time prescribed by the Incentive Plan, based on (and subject to) actual achievement of the applicable performance goals, and pro-rated if Executive's employment terminates before the end of the performance period. If Executive fails to provide one (1) year's advance written notice, and there is not mutual agreement, she shall not be eligible for any bonus or annual incentive payments for any partial fiscal year worked and may also be liable for damages and/or subject to injunctive relief pursuant to Section 6, below; provided, however, that if such failure is due to the Company's request that Executive stop providing services (for a reason other than Cause, as defined in subsection g, below), Executive shall be entitled to the payments and benefits prescribed by subsection f, below (“Company Termination Without Cause,” taking into account the Six-Month Delay Rule described in Section 7.c, below, and the Company's right to pay cash in lieu of continued benefits, in accordance with Section 7.f, below), through the first (1st) anniversary of the date on which Executive provided written notice of her intent to terminate employment (but not for any period thereafter).

b. Executive Termination Upon Change in Office and Duties. If during the term hereof the Executive suffers an Adverse Action, as such term is defined in the Change of Control Agreement separately entered into between the Company and Executive (the “**COC**”), Executive may terminate her employment under this Agreement, subject to the following procedures:

(i) Within ninety (90) days after the Adverse Action, Executive shall notify the Company in writing of her desire to terminate employment on account of such Adverse Action;

(ii) Following its receipt of such notice, the Company shall have thirty (30) days to remedy the Adverse Action; and

(iii) If the Company fails to remedy the Adverse Action by the end of such thirty (30) day period and Executive's termination of employment occurs no later than two (2) years after the Adverse Action, the Adverse Action shall be treated as a one (1)-year written notice of the Company's intent to terminate Executive's employment without Cause and Executive's termination of employment shall be treated as a "Company Termination Without Cause" under subsection f, below. For the avoidance of doubt, the notice period and any right to continued compensation shall run from the date of the Adverse Action, and not from any later date.

c. Retirement. Executive's termination of her employment under this Agreement by reason of retirement shall be treated as a voluntary termination by Executive pursuant to, and subject to the requirements of, subsection a, above.

d. Death of Executive. This Agreement shall terminate immediately in the event of the death of Executive. Upon such termination, the Company shall pay to Executive's legal representative as soon as practicable all accrued and unpaid base salary and a pro-rated portion of any other compensation otherwise due under Section 3, above. Such amounts shall be paid within ninety (90) days after Executive's death, on a date determined by the Company; provided, however, that any pro-rated incentive payment shall be paid at the end of the performance period, at the time prescribed by the Incentive Plan, based on (and subject to) actual achievement of the applicable performance goals. The Company shall also pay any benefits that are payable pursuant to the terms of the plans and programs described in Section 3.d, above.

e. Disability of Executive. If Executive becomes Disabled (as defined below) during the term of this Agreement, Executive shall be entitled to any disability benefits payable under Company-sponsored disability benefit plans made available to Company employees generally, and her employment hereunder shall terminate. Executive shall be entitled to a pro-rated incentive payment for the fiscal year in which her employment terminates; such incentive payment shall be paid at the end of the performance period, at the time prescribed by the Incentive Plan, based on (and subject to) actual achievement of the applicable performance goals. "Disabled" and "Disability" shall mean that Executive has been totally disabled by injury or illness, mental or physical, as a result of which she is prevented from further performance of the duties required by this Agreement, and that such disability is likely to be permanent and continuous during the remainder of Executive's life.

In the event of a dispute over whether Executive has become Disabled, such dispute shall be resolved through arbitration under American Arbitration Association rules, in Phoenix, Arizona.

f. Company Termination Without Cause. If the Company wishes to terminate Executive's employment under this Agreement for a reason other than "Cause" (as defined in subsection g, below), or death or Disability (as defined in subsection e, above), the Company shall provide to Executive written notice of such intent at least one (1) year before the intended termination date. During the period from such written notice through the first anniversary of the date on which such written notice was provided, Executive shall continue to be paid her base salary and other compensation required by Section 3, above, each at a rate no less than the rate in effect immediately before the notice date; provided, however, that if Executive's employment terminates before the end of such period, her right to continued salary and other compensation shall be subject to the Six-Month Delay Rule described in Section 7.c, below, and the provisions of Section 7.g (Cash in Lieu of Benefits), below. Executive shall continue to be eligible for annual incentive payments after the Company has provided notice of its intent to terminate Executive's employment hereunder. Any annual incentive payments due shall be paid at the end of the performance period, at the time prescribed by the Incentive Plan, based on (and subject to) actual achievement of the applicable performance goals and pro-rated if Executive's employment terminates before the end of the performance period.

g. Company Termination With Cause. If the Company terminates Executive's employment hereunder for “Cause” (as defined in this subsection g), the Company shall not be required to provide any advance notice. In the event of a termination for Cause, the Company shall pay to Executive any salary due pursuant to Section 3.a, above, for service through the date of termination, within thirty (30) days thereafter, and Executive shall forfeit any right to receive incentive compensation or a bonus pursuant to Section 3.b, above. For purposes of this Agreement, “Cause” means, but is not limited to, Executive's gross misconduct, breach of any material term of this Agreement, willful breach, habitual neglect or wanton disregard of her duties, or conviction of any criminal act.

h. Executive Termination Upon Change of Control. Upon a Change of Control as defined in the COC, the provisions of the COC shall apply. If Executive becomes eligible to receive any payment or payments under the COC, such payments shall be in lieu of any right to payments or benefits under this Section 5 and she shall not be entitled to receive any payments or benefits under this Section 5.

6. **Specific Performance**

Executive acknowledges that (a) the services to be rendered under this Agreement and the obligations of Executive assumed herein are of a special, unique and extraordinary character; (b) it would be difficult or impossible to replace such services and obligations; (c) the Company, its subsidiaries and affiliates will be irreparably damaged if the provisions hereof are not specifically enforced; and (d) the award of monetary damages will not adequately protect the Company, its subsidiaries and affiliates in the event of a breach hereof by Executive. As a result, Executive agrees and consents that if she violates any of the provisions of this Agreement, the Company shall, without any bond or other security being required and without the necessity of proving monetary damages, be entitled to a temporary and/or permanent injunction to be issued by a court of competent jurisdiction restraining Executive from committing or continuing any violation of this Agreement, or any other appropriate decree of specific performance. Such remedies shall not be exclusive and shall be in addition to any other remedy (including monetary damages) that the Company may have.

7. **Section 409A and Cash in Lieu of Benefits**

a. Intent to Comply With Section 409A. This Agreement shall be interpreted consistent with the intent to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”), such that there are no adverse tax consequences, interest, or penalties as a result of any amount paid or payable under this Agreement. Any ambiguity or inconsistency in the provisions of this Agreement shall be resolved consistent with such intent. In addition, to the extent permitted by law, the parties agree to make a good faith effort to modify this Agreement to the extent that either party determines is necessary to comply with Section 409A.

b. Separation From Service. Except as otherwise expressly provided, references in this Agreement to Executive's termination of employment, termination date, and similar terms related to Executive's termination of employment or separation from service shall refer to the date of Executive's “separation from service” within the meaning of Section 409A(a)(2)(A)(i) of the Code, as determined by the Company.

c. Six-Month Delay Rule. If, as of her termination date, Executive is a “specified employee” (as determined by the Company in accordance with its guidelines established pursuant to Treas. Reg. § 1.409A-1(i)), any amount payable to Executive upon or by reason of her termination of employment (including expense reimbursements and in-kind benefits that are includible in income) shall be subject to the six (6) month delay required by Section 409A(a)(2)(B)(i) of the Code; provided, however, that such six (6) month delay shall not be required with respect to any payment that the Company determines is not subject to Section 409A by reason of the “short-term deferral” rule described in Treas. Reg. § 1.409A-1(b)(4), the “two-year, two-time” rule described in Treas. Reg. § 1.409A-1(b)(9)(iii), or any other exemption. If payment of any amount is delayed by reason of this six (6) month delay, such amount shall be paid with interest on the Company's first pay date for the seventh (7th) month that starts after Executive's termination date (or, if earlier, within 90 days after Executive's death). Except as otherwise provided in a governing document for an applicable benefit plan, program, or other arrangement, interest shall be calculated using the prime rate of interest in effect at Bank of America, N.A. (or another bank designated by the Company that is one of its principal banks) on Executive's termination date.

d. Installments Treated as Separate Payments. For purposes of Section 409A of the Code, except as otherwise expressly provided, each installment of payments and benefits due under this Agreement shall be treated as a separate payment.

e. Payment Date. To the extent that any payment under this Agreement may be made during a payment window, the date of payment shall be determined by the Company, in its sole discretion, and not by Executive or any other individual entitled to receive the payment.

f. Expense Reimbursements and In-Kind Benefits. To the extent that any expense reimbursement or in-kind benefit is subject to Section 409A (*e.g.*, the expense reimbursement is includible in income and is not required to be paid by the end of the “applicable 2½-month period” described in Treas. Reg. § 1.409A-1(b)(4)(i)(A)), such reimbursement or benefit shall be subject to the conditions set forth in Treas. Reg. § 1.409A-3(i)(1)(iv). Accordingly:

(i) The amount of such expenses eligible for reimbursement, or in-kind benefits provided, during a taxable year of Executive shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year;

(ii) The reimbursement of each such expense shall be paid no later than the last day of Executive's taxable year next following the taxable year in which the expense was incurred; and

(iii) The right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

g. Cash in Lieu of Benefits. Executive's right to receive (I) tax-qualified retirement and savings and (II) health benefits under this Agreement is subject to the terms of the applicable plans and satisfying all applicable tax-qualification, nondiscrimination, and similar requirements. In lieu of any benefit that the Company determines may not be provided by reason of the immediately preceding sentence, the Company shall pay to Executive cash as follows:

(i) In lieu of tax-qualified retirement and savings benefits that the Company determines may not be provided, the Company shall pay to Executive an amount equal to the Company-provided contributions or benefit accruals that would have otherwise accumulated under the applicable retirement or savings plan if not for the Company's determination. Such amount shall not include any payment with respect to any lost opportunity to make pre-tax or after-tax deferrals or contributions. However, the amount of any matching contribution that Executive would otherwise have been entitled to receive shall be calculated based on the assumption that Executive would have deferred or contributed the amount required to be eligible for the maximum matching contribution payable for the applicable period. Subject to the Six-Month Delay Rule described in subsection c, above, such amount shall be paid within thirty (30) days after the end of the period for which such retirement or savings benefits would otherwise have been provided.

(ii) In lieu of health benefits that the Company determines may not be provided, the Company shall pay to Executive the amount described in this Section 7.g(ii) for each applicable month for which Executive would otherwise be entitled to health benefits. The amount for each month shall be equal to 167 percent of the excess of (A) the COBRA premium for the applicable coverage under the Company's plan for such month (without regard to whether Executive is eligible for COBRA coverage) over (B) the premium that an active senior executive of the Company would be required to pay for such coverage under the Company's plan for such month. Subject to the Six-Month Delay Rule described in subsection c, above, such amount shall be paid monthly in arrears.

h. Limited Indemnity for Company Error. If (and only if) Executive becomes subject to adverse tax consequences under Section 409A of the Code as a result of (i) the Company's failure to administer this Agreement in accordance with its terms; (ii) the Company's failure to administer any “nonqualified deferred compensation plan” (within the meaning of Section 409A of the Code) other than this Agreement in accordance with its terms or the requirements of Section 409A; or (iii) the Company's failure to satisfy the Section 409A document requirements for any nonqualified deferred compensation plan other than this Agreement, the Company shall pay to Executive an amount such that after all required income and employment tax withholding, the net amount paid to Executive is equal to the tax imposed under Section 409A of the Code as a result of the applicable error. Such amount shall be calculated by a certified public accounting firm selected and paid by the Company (the “**Accounting Firm**”), and shall be paid no later than the last day of Executive's taxable year next following the taxable year in which Executive remits the applicable taxes to the U.S. Treasury. Any determination by the Accounting Firm shall be binding upon the Company and Executive.

8. Governing Law

This Agreement shall be construed, interpreted and governed by the law of the State of Arizona, without giving effect to Arizona principles regarding conflict of laws. Reference to any provision of the Code or other law shall include all regulations and other guidance of general applicability issued thereunder, and shall be deemed to include any successor provision.

9. Miscellaneous Provisions

a. Tax Withholding. All amounts payable under this Agreement are subject to withholding for all federal, state, and local taxes, and all other amounts relating to tax or other payroll deductions, as the Company may reasonably determine should be withheld. Regardless of the amount withheld, Executive shall be solely responsible for paying all required taxes (other than the employer's share of employment taxes) on all payments and other compensation (including imputed compensation) and benefits provided under this Agreement.

b. Succession. This Agreement shall extend to and be binding upon Executive, her legal representatives, heirs, and distributees, and upon the Company, its successors and assigns.

c. Entire Agreement. Other than the COC Agreement, this Agreement is the entire agreement of the parties with respect to its subject matter and no waiver, modification, or amendment of any of its provisions shall be valid unless in writing and signed by both parties.

d. Waiver of Breach. The waiver of breach of any term or condition of this Agreement shall not be deemed to constitute a waiver of any other term or condition of this Agreement.

e. Severability. Each substantive provision of this Agreement is a separate agreement, independently supported by good and adequate consideration, and is severable from the other provisions of the Agreement. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, such provision shall be reformed to resolve the applicable issue while still achieving the intent of the provision to the maximum extent possible, and no other provision of the agreement shall be affected or impaired in any way. With respect to any restrictive covenant, it is understood and agreed that if a court of competent jurisdiction or a duly constituted arbitration panel refuses to enforce any part of such restrictive covenant because it is unreasonable (whether as to geographic scope, duration, activity, subject, or otherwise), the unenforceable provision shall not be void but rather shall be deemed reduced or limited to the minimum extent necessary to permit enforcement of the covenant. For this purpose, the geographic scope, duration, activity, and subject are divisible.

f. Forfeiture of Certain Parachute Payments.

(i) Notwithstanding any other provision of this Agreement, if paragraph (ii), below, applies, Executive shall forfeit amounts payable to Executive under this Agreement to the extent that a certified public accounting firm selected and paid by the Company (the "**Accounting Firm**") determines is necessary to ensure that Executive is not reasonably likely to receive a "parachute payment" within the meaning of Section 280G(b)(2) of the Code. The Accounting Firm's determination shall be conclusive and binding upon the Company and Executive.

(ii) This paragraph (ii) shall apply if (and only if) (A) any payment to be made under this Agreement is reasonably likely to result in Executive receiving a "parachute payment" (as defined in Section 280G(b)(2) of the Code), and (B) Executive's forfeiture of payments due under this Agreement would result in the aggregate after-tax amount that Executive would receive being greater than the aggregate after-tax amount that Executive would receive if there were no such forfeiture.

(iii) Neither the Company nor Executive shall have any discretion to determine which payments are forfeited. The forfeiture shall apply in reverse chronological order-*e.g.*, the last payment in any series of payments shall be forfeited before any part of an earlier payment is forfeited.

g. Survival. The provisions of Sections 4 (Restrictive Covenants), 5 (Termination Rights and Responsibilities), 6 (Specific Performance), 7 (Section 409A and Cash in Lieu of Benefits), 8 (Governing Law), and 9 (Miscellaneous Provisions) of this Agreement shall survive the termination of Executive's employment hereunder.

h. Headings. The headings of the sections and subsections are inserted for convenience only and shall not be deemed to constitute a part hereof or to affect the meaning thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

AVNET, INC.

EXECUTIVE

By:

Exhibit 10.5

AGREEMENT effective as of ________ between AVNET, INC., a New York corporation with a principal place of business at 2211 South 47th Street, Phoenix, Arizona 85034 (“Avnet”) and ________, having an office at 2211 South 47th Street, Phoenix, Arizona 85034 ("________").

W I T N E S S E T H

1. Employment, Salary, Benefits:

1.1 Employment. Avnet agrees to employ _________ and ________ agrees to accept employment upon the terms and conditions hereinafter set forth.

1.2 Term. ________employment pursuant to this Agreement shall commence on ________ and subject to earlier termination as provided in Section 2 below, shall continue for a period of one (1) year (until ________, the "Initial Term"). Unless ________provides Avnet written notice at least thirty (30) days prior to the expiration of the Initial Term advising Avnet that ________does not intend to renew the Agreement as hereinafter described, then after ________ employment shall continue until terminated by either party provided, however, that the party desiring to terminate the employment arrangement gives written notice thereof to the other not less than one (1) year prior to the date of actual termination of employment. By way of example, should ________desire not to renew after the Initial Term, such notice would have to be given no later than ________. Thereafter (if not so terminated by ________at the end of the Initial Term), by way of example, if either Avnet or ________should desire to terminate the employment on ________ such notice would have to be given not later than ________.

1.3 Duties. ________is hereby engaged in an executive capacity and shall perform such duties for Avnet, or Avnet's subsidiaries, divisions and operating units as may be assigned to him from time to time by the ________. ________is currently engaged as ________. If ________is elected an officer or a director of Avnet or any subsidiary or division thereof, he shall serve as such without additional compensation.

1.4 Compensation.

a. For all services to be rendered by ________and for all covenants undertaken by him pursuant to the Agreement, Avnet shall pay and ________shall accept such compensation (including base salary and incentive compensation) as shall be agreed upon from time to time between Avnet and ________.

b. In the event ________employment hereunder is terminated by the one (1) year notice provided for in Section 1.2 above and Avnet and ________fail to agree upon compensation during all or any portion of the one (1) year notice period prior to termination, then ________compensation (base salary and incentive compensation) during such portion of the notice period shall be equal to the cash compensation earned by ________during the four completed fiscal quarters preceding the date on which notice is given; and upon such termination (after a one-year notice) ________shall not be entitled to severance payments under any Avnet severance plan. In the alternative event that at least 30 days prior to the end of the Initial Term ________notifies Avnet that he intends not to renew as described in 1.2 above, ________shall effective ________ (the end of the Initial Term) revert to employee at will status (with employment terminable at any time by either Avnet or ________) and the provision in 1.2 above requiring a one-year notice shall not apply; and upon a subsequent termination of employment, ________shall be entitled if otherwise eligible to payments under any then-applicable Avnet severance plan.

Notwithstanding anything to the contrary, in the event ________employment is terminated pursuant to 2.1, 2.2 or 2.3 below, then the one-year notice provided in 1.2 above shall not be applicable and ________shall not be entitled to any severance pay benefit.

1.5 Other Compensation on Termination. Upon termination of this Agreement, ________shall be entitled to receive only such compensation as had accrued and was unpaid to the effective date of termination. If the termination occurs other than at the end of a fiscal year of Avnet, the compensation payable to ________(including base salary and incentive compensation) shall bear the same ratio to a full fiscal year's remuneration as the number of days for which ________shall be entitled to remuneration bears to 365 days.

1.6 Additional Benefits. In addition to the compensation described in Subsection 1.4, ________shall be entitled to vacation, insurance, retirement and other benefits (except for severance pay benefit which the one-year termination notice described above is intended to replace) as are afforded to personnel of Avnet's United States based operating units generally and which are in effect from time to time. It is understood that Avnet does not by reason of this Agreement obligate itself to provide any such benefits to such personnel.

2. Early Termination.

2.1 Death or Disability. ________employment hereunder shall terminate on the date of ________death or upon ________suffering mental or physical injury, illness or incapacity which renders him unable to perform his customary duties hereunder on a full-time basis for a period of 365 substantially consecutive days, on the 365th such day. The opinion of a medical doctor licensed to practice in the State of Arizona (or such other state wherein ________then resides) and having Board certification in his field of specialization or the receipt of or entitlement of ________to disability benefits under any policy of insurance provided or made available by Avnet or under Federal Social Security laws, shall be conclusive evidence of such disability.

2.2 Cause. ________employment hereunder may also be terminated by Avnet at any time prior to the expiration of the term hereof without notice for cause, including, but not limited to, ________gross misconduct, breach of any material term of this Agreement, willful breach, habitual neglect or wanton disregard of his duties, or conviction of any criminal act.

3. Competitive Employment:

3.1 Full time. ________shall devote his full time, best efforts, attention and energies to the business and affairs of Avnet and shall not, during the term of his employment, be engaged in any other activity which, in the sole judgment of Avnet, will interfere with the performance of his duties hereunder.

3.2 Non-Competition. While employed by Avnet or any subsidiary, division or operating unit of Avnet, ________shall not, without the written consent of the Chief Executive Officer of Avnet, directly or indirectly (whether through his spouse, child or parent, other legal entity or otherwise): own, manage, operate, join, control, participate in, invest in, or otherwise be connected with, in any manner, whether as an officer, director, employee, partner, investor, shareholder, consultant, lender or otherwise, any business entity which is engaged in, or is in any way related to or competitive with the business of Avnet, provided, however, notwithstanding the foregoing ________shall not be prohibited from owning, directly or indirectly, up to 5% of the outstanding equity interests of any company or entity the stock or other equity interests of which is publicly traded on a national securities exchange or on the NASDAQ over-the-counter market.

3.3 Non-Solicitation. ________further agrees that he will not, at any time while employed by Avnet or any subsidiary, division or operating unit of Avnet and for a period of one year after the termination of employment with Avnet, without the written consent of an officer authorized to act in the matter by the Board of Directors of Avnet, directly or indirectly, on ________behalf or on behalf of any person or entity, induce or attempt to induce any employee of Avnet or any subsidiary or affiliate of Avnet (collectively the "Avnet Group") or any individual who was an employee of the Avnet Group during the one (1) year prior to the date of such inducement, to leave the employ of the Avnet Group or to become employed by any person other than members of the Avnet Group or offer or provide employment to any such employee.

4. Definitions:

The words and phrases set forth below shall have the meanings as indicated:

4.1 Confidential Information. That confidential business information of Avnet, whether or not discovered, developed, or known by ________as a consequence of his employment with Avnet. Without limiting the generality of the foregoing, Confidential Information shall include information concerning customer identity, needs, buying practices and patterns, sales and management techniques, employee effectiveness and compensation information, supply and inventory techniques, manufacturing processes and techniques, product design and configuration, market strategies, profit and loss information, sources of supply, product cost, gross margins, credit and other sales terms and conditions. Confidential Information shall also include, but not be limited to, information contained in Avnet's manuals, memoranda, price lists, computer programs (such as inventory control, billing, collection, etc.) and records, whether or not designated, legended or otherwise identified by Avnet as Confidential Information.

4.2 Developments. Those inventions, discoveries, improvements, advances, methods, practices and techniques, concepts and ideas, whether or not patentabIe, relating to Avnet's present and prospective activities and products.

5. Developments, Confidential Information and Related Materials:

5.1 Assignment of Developments. Any and all Developments developed by ________(acting alone or in conjunction with others) during the period of ________employment hereunder shall be conclusively presumed to have been created for or on behalf of Avnet (or Avnet's subsidiary or affiliate for which ________is working) as part of ________obligations to Avnet hereunder. Such Developments shall be the property of and belong to Avnet (or Avnet's subsidiary or affiliate for which ________is working) without the payment of consideration therefor in addition to ________compensation hereunder, and ________hereby transfers, assigns and conveys all of ________right, title and interest in any such Developments to Avnet (or Avnet's subsidiary or affiliate for which ________is working) and agrees to execute and deliver any documents that Avnet deems necessary to effect such transfer on the demand of Avnet.

5.2 Restrictions on Use and Disclosure. ________agrees not to use or disclose at any time after the date hereof, except with the prior written consent of an officer authorized to act in the matter by the Board of Directors of Avnet, any Confidential Information which is or was obtained or acquired by ________while in the employ of Avnet or any subsidiary or affiliate of Avnet, provided, however, that this provision shall not preclude ________from (i) the use or disclosure of such information which presently is known generally to the public or which subsequently comes into the public domain, other than by way of disclosure in violation of this Agreement or in any other unauthorized fashion, or (ii) disclosure of such information required by law or court order, provided that prior to such disclosure required by law or court order ________will have given Avnet three (3) business days' written notice (or, if disclosure is required to be made in less than three (3) business days, then such notice shall be given as promptly as practicable after determination that disclosure may be required) of the nature of the law or order requiring disclosure and the disclosure to be made in accordance therewith.

5.3 Return of Documents. Upon termination of ________employment with Avnet, ________shall forthwith deliver to the Chief Executive Officer of Avnet all documents, customer lists and related documents, price and procedure manuals and guides, catalogs, records, notebooks and similar repositories of or containing Confidential Information and/or Developments, including all copies then in his possession or control whether prepared by him or others.

6. Miscellaneous:

6.1 Consent to Arbitration. Except for the equitable relief provisions set forth in Section 6.2 below, Avnet and ________agree to arbitrate any controversy or claim arising out of this Agreement or otherwise relating to ________employment or the termination of employment or this Agreement, in accordance with the provisions of the Mutual Agreement to Arbitrate Claims, a copy of which is annexed hereto as Exhibit A.

6.2 Equitable Relief. ________acknowledges that any material breach of any of the provisions of Sections 3 and/or 5 would entail irreparable injury to Avnet's goodwill and jeopardize Avnet's competitive position in the marketplace or Confidential Information, or both, and that in addition to Avnet's other remedies, ________consents and Avnet shall be entitled, as a matter of right, to an injunction issued by any court of competent jurisdiction restraining any breach of ________and/or those with whom ________is acting in concert and to other equitable relief to prevent any such actual, intended or likely breach.

6.3 Survival. The provisions of Sections 3.2, 3.3, 4, 5, and 6 shall survive the termination of ________employment hereunder.

6.4 Interpretation. If any court of competent jurisdiction or duly constituted arbitration panel shall refuse to enforce any or all of the provisions hereof because they are more extensive (whether as to geographic scope, duration, activity, subject or otherwise) than is reasonable, it is expressly understood and agreed that such provisions shall not be void, but that for the purpose of such proceedings and in such jurisdiction, the restrictions contained herein shall be deemed reduced or limited to the extent necessary to permit enforcement of such provisions.

6.5 Succession. This Agreement shall extend to and be binding upon ________, his legal representatives, heirs and distributees and upon Avnet, its successors and assigns.

6.6 Entire Agreement. This Agreement and the Exhibits hereto contain the entire agreement of the parties with respect to their subject matter, and supersedes any other prior agreement, whether written or oral. All other arrangements which may have been applicable to your employment with the Company and any subsidiary, affiliate, or predecessor are cancelled with effect from the date of this Agreement. No waiver, modification or change of any provisions of this Agreement shall be valid unless in writing and signed by the parties against whom such claimed waiver, modification or change is sought to be enforced.

6.7 Waiver of Breach. The waiver of any breach of any term or condition of this Agreement shall not be deemed to constitute a waiver of any other term or condition of this Agreement.

6.8 Notices. All notices pursuant to this Agreement shall be in writing and shall be given by registered or certified mail, or the equivalent, return receipt requested, addressed to the parties hereto at the addresses set forth above, or to such address as may hereafter be specified by notice in writing in the same manner by any party or parties.

1. Headings. Except for the headings in Section 4, the headings of the sections and subsections are inserted for convenience only and shall not be deemed to constitute a part hereof or to affect the meaning thereof.

2. Choice of Law. This Agreement shall be governed by the laws of Arizona, without regard to the conflict of laws provisions thereof.

IN WITNESS WHEREOF, parties have executed this Agreement effective as of the day and year first above written.

AVNET, INC.

By ________________________

____

EXHIBIT A

MUTUAL AGREEMENT TO ARBITRATE CLAIMS

I recognize that differences may arise between Avnet, Inc. ("the Company") and me during or following my employment with the Company, and that those differences may or may not be related to my employment. I understand and agree that by entering into this Agreement to Arbitrate Claims ("Agreement"). I anticipate gaining the benefits of a speedy, impartial dispute-resolution procedure.

Except as provided in this Agreement, the Federal Arbitration Act shall govern the interpretation, enforcement and all proceedings pursuant to this Agreement. To the extent that the Federal Arbitration Act is inapplicable, applicable state law pertaining to agreements to arbitrate shall apply.

I understand that any reference in this Agreement to the Company will be a reference also to all divisions, subsidiaries and affiliates of the Company. Additionally, except as otherwise provided herein, any reference to the Company shall also include all benefit plans; the benefit plans' sponsors, fiduciaries, administrators, affiliates; and all successors and assigns of any of them.

CLAIMS COVERED BY THE AGREEMENT

The Company and I mutually consent to the resolution by arbitration of all claims or controversies ("claims"), whether or not arising out of my employment (or its termination), that the Company may have against me or that I may have against the Company or against its officers, directors, employees or agents in their capacity as such or otherwise. The claims covered by this Agreement include, but are not limited to, claims for wages or other compensation due; claims for breach of any contract or covenant (express or implied); tort claims; claims for discrimination and harassment (including, but not limited to, race, sex, sexual orientation, religion, national origin, age, marital status, medical condition, handicap or disability); claims for benefits (except where an employee benefit or pension plan specifies that its claims procedure shall culminate in an arbitration procedure different from this one); and claims for violation of any federal, state, or other governmental law, statute, regulation, or ordinance, except claims excluded in the section entitled "Claims Not Covered by the Agreement."

Except as otherwise provided in this Agreement, both the Company and I agree that neither of us shall initiate nor prosecute any lawsuit or administrative action (other than an administrative charge of discrimination) in any way related to any claim covered by this Agreement.

CLAIMS NOT COVERED BY THE AGREEMENT

Claims I may have for workers' compensation or unemployment compensation benefits are not covered by this Agreement.

Also not covered are claims by the Company for injunctive and/or other equitable relief including, but not limited to, claims for injunctive and/or other equitable relief for unfair competition and/or the use and/or unauthorized disclosure of trade secrets or confidential information, as to which I understand and agree that the Company may seek and obtain relief from a court of competent jurisdiction.

REQUIRED NOTICE OF ALL CLAIMS AND STATUTE OF LIMITATIONS

The Company and I agree that the aggrieved party must give written notice of any claim to the other party within one (1) year of the date the aggrieved party first has knowledge of the event giving rise to the claim; otherwise the claim shall be void and deemed waived even if there is a federal or state statute of limitations which would have given more time to pursue the claim.

Written notice to the Company, or its officers, directors, employees or agents, shall be sent to its President at the Company's then-current address. I will be given written notice at the last address recorded in my personnel file.

The written notice shall identify and describe the nature of all claims asserted and the facts upon which such claims are based. The notice shall be sent to the other party by certified or registered mail, return receipt requested.

DISCOVERY

Each party shall have the right to take the deposition of one individual and any expert witness designated by another party. Each party also shall have the right to propound requests for production of documents to any party. Additional discovery may be had only where the panel of arbitrators selected pursuant to this Agreement so orders, upon a showing of substantial need.

At least thirty (30) days before the arbitration, the parties must exchange lists of witnesses, including any expert, and copies of all exhibits intended to be used at the arbitration.

SUBPOENAS

Each party shall have the right to subpoena witnesses and documents for the arbitration.

ARBITRATION PROCEDURES

The Company and I agree that, except as provided in this Agreement, any arbitration shall be in accordance with the then-current Model Employment Arbitration Procedures of the American Arbitration Association ("AAA") before a panel of three arbitrators who are licensed to practice law in the state where the arbitration is to take place ("the Panel"). The arbitration shall take place in or near the city in which I am or was last employed by the Company.

The Panel shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted: The Federal Rules of Evidence shall apply. The Panel, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement, including but not limited to any claim that all or any part of this Agreement is void or voidable. The Panel shall render an award and opinion in the form typically rendered in labor arbitrations. The arbitration shall be final and binding upon the parties.

The Panel shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person, as the Panel deems necessary. The Panel shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure.

Either party, at its expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of proceedings.

ARBITRATION FEES AND COSTS

The Company and I shall equally share the fees and costs of the Panel. Each party shall pay for its own costs and attorneys' fees, if any. However, if any party prevails on a statutory claim that affords the prevailing party attorneys' fees, or if there is a written agreement providing for fees, the Panel may award reasonable fees to the prevailing party.

INTERSTATE COMMERCE

I understand and agree that the Company is engaged in transactions involving interstate commerce and that my employment involves such commerce.

REQUIREMENTS FOR MODIFICATION OR REVOCATION

This Agreement to arbitrate shall survive the termination of my employment. It can only be revoked or modified by a writing signed by me and an officer of the Company, that specifically states an intent to revoke or modify this Agreement.

SOLE AND ENTIRE AGREEMENT

This is the complete agreement of the parties on the subject of arbitration of disputes, except for any arbitration agreement in connection with any pension or benefit plan. This Agreement supersedes any prior or contemporaneous oral or written understanding on the subject. No party is relying on any representations, oral or written, on the subject of the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Agreement.

CONSTRUCTION

If any provision of this Agreement is adjudged to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement.

CONSIDERATION

The promises by the Company and by me to arbitrate differences, rather than litigate them before courts or other bodies, provide consideration for each other.

NOT AN EMPLOYMENT AGREEMENT

This Agreement is not, and shall not be construed to create, any contract of employment, express or implied. Nor does this Agreement in any way alter the "at-will" status of my employment.

VOLUNTARY AGREEMENT

I ACKNOWLEDGE THAT I HAVE CAREFULLY READ THIS AGREEMENT, THAT I UNDERSTAND ITS TERMS, THAT ALL UNDERSTANDINGS AND AGREEMENTS BETWEEN THE COMPANY AND ME RELATING TO THE SUBJENS COVERED IN THE AGREEMENT ARE CONTAINED IN IT, AND THAT I HAVE ENTERED INTO THE AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS BY THE COMPANY OTHER THAN THOSE CONTAINED IN THIS AGREEMENT ITSELF.

I UNDERSTAND THAT BY SIGNING THIS AGREEMENT I AM GIVING UP MY RIGHT TO A JURY TRIAL.

I FURTHER ACKNOWLEDGE THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH MY PRIVATE LEGAL COUNSEL AND HAVE AVAILED MYSELF OF THAT OPPORTUNITY TO THE EXTENT I WISH TO DO SO.

EMPLOYEE AVNET, INC.

____________________ ____________________

Date: Date:

Exhibit 10.13

AVNET SUPPLEMENTAL
EXECUTIVE OFFICERS' RETIREMENT PLAN
(2013 Restatement)

AVNET SUPPLEMENTAL
EXECUTIVE OFFICERS' RETIREMENT PLAN

(2013 Restatement)

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AVNET SUPPLEMENTAL
EXECUTIVE OFFICERS' RETIREMENT PLAN

(2013 Restatement)

ARTICLE 1
HISTORY, PURPOSE AND EFFECTIVE DATE

Avnet, Inc., a New York corporation (the **"Company"**), previously established a program to provide supplemental life insurance and retirement income benefits for Eligible Executives (as defined herein), known as the Avnet Executive Officers' Supplemental Life Insurance and Retirement Benefits Program (the **"Program"**) effective July 1, 1979 (the **"Original Effective Date"**). The Program was amended and restated in 2008 as the Avnet Supplemental Executive Officers' Retirement Plan (the **"Plan"**), effective generally as of January 1, 2009, to comply with changes made to the Code (as defined herein) through the enactment of Code Section 409A by the American Jobs Creation Act of 2004 and to incorporate certain other changes. The Program was amended and restated again in 2012, and is hereby amended and restated, to implement certain changes.

The Plan is intended to be a nonqualified deferred compensation plan under the Code that provides supplemental retirement income to a select group of management or highly compensated employees. Accordingly, the Company intends that the Plan will not be a qualified retirement plan under Code Section 401(a), and that the Plan will be exempt from the requirements of parts 2, 3 and 4 of Title I of ERISA. Moreover, the Company intends that the terms of this Plan document and the administration of the Plan shall be in compliance with the applicable requirements under Code Section 409A. Prior to the Final Section 409A Effective Date (as defined herein), the Company administered the Program in accordance with a good faith interpretation of Code Section 409A. Any provision in the Program or the Plan that cannot be construed consistent with such intent shall automatically be deemed to be severable from the provisions of the Program or this Plan document and shall have no force or effect.

ARTICLE 2
DEFINITIONS

2.1 Definitions.

Whenever the following words and phrases are used in this Plan, with the first letter capitalized, they shall have the meanings specified below:

(a) "**Active Participant**" shall mean a Participant who, for a particular Plan Year, is an Eligible Executive and received Compensation from an Employer.

(b) "**Actuarial Equivalent**" shall mean the present value of a Participant's unpaid Total Retirement Benefit (as defined in Section 4.1) determined by using the Present Value Interest Factor in effect on the first business day of the month preceding the Participant's applicable Payment Calculation Date and no charge for mortality factors. No actuarial increase will be provided for benefit payments made after age 65 except as otherwise specifically provided herein.

(c) "**Affiliate**" means the Company and any other entity that is, or would be, aggregated and treated as a single employer with the Company under Code Sections 414(b) (controlled group of corporations) or 414(c) (a group of trades or businesses, whether or not incorporated, under common control); provided, however, that an ownership threshold of at least 50% shall be used hereunder instead of the 80% minimum ownership threshold that would otherwise apply under such Code sections.

(d) "**Avnet Pension Plan**" shall mean the Avnet Pension Plan, as amended and in effect from time to time, and any successor qualified retirement plan thereto as designated by the Company from time to time.

(e) "**Beneficiary**" or "**Beneficiaries**" shall mean the person or persons, including a trustee, personal representative or other fiduciary, last designated in writing by a Participant in accordance with procedures established by the Committee to receive the benefits specified hereunder in the event of the Participant's death. No Beneficiary designation shall become effective until it is filed with the Committee. If there is no Beneficiary designation in effect, then the Participant's surviving spouse shall be the Beneficiary. If there is no surviving spouse to receive any benefits payable in accordance with the preceding sentence, the duly appointed and currently acting personal representative of the Participant's estate (which shall include either the Participant's probate estate or living trust) shall be the Beneficiary. In any case where there is no such personal representative of the Participant's estate duly appointed and acting in that capacity within 90 days after the Participant's death (or such extended period as the Committee determines is reasonably necessary to allow such personal representative to be appointed, but not to exceed 180 days after the Participant's death), then a Participant's Beneficiary shall mean the person or persons who can verify by affidavit or court order to the satisfaction of the Committee that they are legally entitled to receive the benefits specified hereunder. In the event any amount is payable under the Plan to a minor, payment shall not be made to the minor, but instead shall be paid (a) to that person's living parent(s) to act as custodian, (b) if that person's parents are then divorced, and one parent is the sole or primary custodial parent, to such custodial parent or (c) if no parent of that person is then living, to a custodian selected by the Committee to hold the funds for the minor under the Uniform Gifts to Minors Act (or similar statute) in effect in the jurisdiction in which the minor resides. If no parent is living and the Committee decides not to select another custodian to hold the funds for the minor, then payment shall be made to the duly appointed and currently acting guardian of the estate for the minor or, if no such guardian is duly appointed and currently acting within 60 days after the date the amount becomes payable, payment shall be deposited with the court having jurisdiction over the estate of the minor.

(f) "**Board of Directors**" or "**Board**" shall mean the Board of Directors of the Company.

(g) "**Change of Control**" means the date of the earliest to occur of the following events:

(1) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") (a "**Person**") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either: (A) the then outstanding shares of common stock of the Company or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of members of the Board of Directors; provided, however, that the following transactions shall not constitute a Change of Control under this subsection (1): (x) any acquisition directly from the Company (excluding an acquisition by virtue of the exercise of a conversion privilege), (y) any acquisition by the Company, or (z) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate;

(2) the individuals who, as of the Effective Date, constitute the Board (the "**Incumbent Board**") are replaced during any twelve- (12-) month period by new Board members whose appointment or nomination was not endorsed by a majority of the Incumbent Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding for this purpose any such individual whose appointment or nomination to the Board occurs as a result of an actual or threatened election contest with respect to the election or removal of any member of the Board, or other actual or threatened solicitation of proxies or consents, by or on behalf of a Person other than a majority of the then Incumbent Board; or

(3) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company or the sale or other disposition of all or substantially all of the assets of the Company (in one or more transactions) and, in either case, the consummation of such transaction.

(h) "**Code**" shall mean the Internal Revenue Code of 1986, as amended.

(i) “**Committee**” shall mean the Committee appointed by the Board to administer the Plan in accordance with Article 7. As of the date hereof, the Committee is the Compensation Committee of the Board.

(j) “**Company**” shall mean Avnet, Inc., a New York corporation, any successor corporation or entity (or successor thereto) and its (or their) assigns.

(k) “**Compensation**” shall mean a Participant's Incentive Compensation, if any, and Salary, if any, earned during a Plan Year.

(l) “**Covered Compensation**” means the average of the highest two (2) out of the most current five (5) full Plan Years of Compensation earned by a Participant, as determined on the last day of the Fiscal Year on or prior to the date that he ceases to be an Active Participant.

(m) “**Death Benefit Earnings**” shall mean the total amount of a Participant's Compensation for the last full Fiscal Year, as determined on or prior to the date of the Participant's death.

(n) “**Disability**” means an event that would enable an Active Participant to become eligible for a disability benefit under the Avnet Pension Plan. For purposes of this Plan, the term “**Section 409A Disability**” means a Disability that also qualifies as a “disability” under the Section 409A Rules.

(o) “**Early Retirement Date**” means the date when a Participant has incurred a Separation From Service and has attained age 55.

(p) “**Effective Date**” means the date this restatement of the Plan was approved by the Board.

(q) “**Eligible Executive**” means an executive officer of the Company who has been designated as eligible to participate in the Plan by action of the Board, the Committee or the Avnet, Inc. Executive Committee. If requested by the Committee, such an officer will be an Eligible Executive only if he or she agrees, in writing, to terminate any prior or existing obligation of an Employer providing supplemental life insurance and/or nonqualified retirement benefits other than pursuant to the Avnet Deferred Compensation Plan. No individual shall become an Eligible Executive after December 31, 2011.

(r) “**Employer**” shall mean the Company and any Affiliate that has adopted this Plan with the consent of the Board.

(s) “**ERISA**” shall mean the Employee Retirement Income Security Act of 1974, as amended.

(t) “**Final Section 409A Effective Date**” shall mean the date when a rule or requirement under the final regulations issued by the Secretary of the Treasury became effective under Code Section 409A, and shall generally refer to January 1, 2009.

(u) “**Inactive Participant**” shall have the meaning set forth in Section 3.1.

(v) “**Incentive Compensation**” shall mean any cash incentive compensation or bonus payable to a Participant by an Employer for a Plan Year in addition to the Participant's Salary, but determined prior to reduction for any salary deferral contributions to either a plan described under Code Section 125 or 401(k) or the Avnet Deferred Compensation Plan.

(w) “**Interim Section 409A Effective Date**” shall mean the date when a particular provision or rule promulgated under Code Section 409A became effective, and shall generally mean January 1, 2005. The term “**Interim Section 409A Period**” means the period beginning on or after the Interim Section 409A Effective Date and ending immediately before the Final Section 409A Effective Date.

(x) “**Normal Retirement Date**” shall mean the date when a Participant attains age 65 and has incurred a Separation From Service.

(y) “**Offset Plan Amount**” shall mean, as of the date that any benefit payment is due under the Plan, the amount payable on such date under all Offset Plans (as defined below). For example, with respect to a Participant's Total Retirement Benefit, the Offset Plan Amount for each of the 24 monthly payments described in Section 4.1(a) shall be the amount payable under the Avnet Restoration Plan (and any other Offset Plan) for each such month and the Offset Plan Amount for the final lump-sum payment described in Section 4.1(a) shall be the amount of the final lump-sum payment due under the Avnet Restoration Plan (and any other Offset Plan).

(z) “**Offset Plan**” or “**Offset Plans**” shall mean the Avnet Restoration Plan and any other nonqualified deferred compensation plan designated by the Committee (other than the Avnet Deferred Compensation Plan); provided, however, that such other nonqualified deferred compensation plan shall constitute an Offset Plan only to the extent that it provides for payment at substantially the same time and in substantially the same form as prescribed by this Plan.

(aa) “**Original Effective Date**” shall mean July 1, 1979.

(ab) “**Participant**” shall mean any Eligible Executive who becomes an Active Participant in accordance with Section 3.1.

(ac) “**Payment Calculation Date**” means, with respect to installment payments, the first business day of a month when such payments would begin without regard to the Six-Month Delay Rule and, with respect to a lump sum payment, the first business day of a month when such payment is scheduled to be made under the terms of the Plan.

(ad) “**Plan**” shall mean the Avnet Supplemental Executive Officers' Retirement Plan, as set forth herein and amended from time to time.

(ae) “**Plan Year**” shall mean the fiscal year of the Company.

(af) “**Present Value Interest Factor**” means an annual discount rate equal to the greater of 4% or the interest yield reported in the Wall Street Journal (or another independent source designated by the Committee from time to time) on 10-year United States Treasury Notes as determined on the first business day of a month preceding a Participant's Payment Calculation Date.

(ag) "**Salary**" shall mean the Participant's base salary payable by an Employer for a Plan Year, but determined prior to reduction for any salary deferral contributions to a plan described under Code Sections 125 or 401(k) or the Avnet Deferred Compensation Plan.

(ah) "**Section 409A Change in Control**" means either a "change in the ownership" of the Company, "change in effective control" of the Company or "change in the ownership of a substantial portion of the assets" of the Company as determined in accordance with the Section 409A Rules. To the extent required under the Section 409A Rules, a Section 409A Change in Control shall be determined by reference to an Affiliate instead of the Company.

(ai) "**Section 409A Rules**" mean regulations issued under Code Section 409A or other official and general guidance issued by the Secretary of the Treasury, the Commissioner of the Internal Revenue Service or either of their delegates interpreting Code Section 409A.

(aj) "**Separation From Service**" means the date when an Active Participant resigns or is dismissed from the employment of the Company and all of its Affiliates and has incurred a "separation from service" in accordance with the Section 409A Regulation.

(ak) "**Six-Month Payment Delay Rule**" means the requirement under Code Section 409A that a Specified Employee must delay his or her distribution from a "nonqualified deferred compensation plan" (within the meaning of the Section 409A Rules) for six (6) months after Separation From Service, but subject to applicable exceptions under the Section 409A Rules for distributions due to death, a Section 409A Disability or a Section 409A Change in Control.

(al) "**Specified Employee**" means a Participant who is considered to be a "key employee" under Code Section 416(i) determined in accordance with procedures consistent with the Section 409A Rules. Without limiting the generality of the foregoing, a Participant's status as a key employee shall be based on a calendar year, beginning with the calendar year preceding the Interim Section 409A Effective Date and, if the Participant is then a key employee, the Participant shall be considered to be a Specified Employee for the 12-month period beginning on the April 1st following the end of the calendar year when he or she was determined to be a key employee.

(am) "**Termination of Employment**" means the date on which a Participant leaves active service with all Employers under the employment policies of the Company. A Participant's Termination of Employment may be after his Separation From Service.

(an) "**Trust**" shall mean any irrevocable rabbi trust that may be established from time to time relating to the Plan; provided, however, that the terms of such trust may provide that after all liabilities to Participants have been satisfied under this Plan, as certified in writing by all Participants, any remaining assets under the trust may be returned to the Company.

(ao) "**Years of Service**" means each full 12-month period (based on a Participant's anniversary date of hire) that a Participant has worked for an Employer, but excluding service with an entity that has been acquired or purchased by an Employer. If a Participant incurs a Termination of Employment, is then rehired by an Employer and again becomes an Active Participant, he or she will be given credit for all full Years of Service completed prior to the Termination of Employment. If a Participant ceases to be an Active Participant prior to incurring a Termination of Employment, he or she will not accumulate any additional Years of Service under the Plan prior to becoming an Active Participant again.

ARTICLE 3
PARTICIPATION

3.1 <u>Participation</u>.

An Eligible Executive shall become an Active Participant in the Plan by completing such forms or agreements that the Committee, in its sole discretion, may require, and passing any physical examination required for a life insurance policy relating to the Participant. A Participant who no longer meets the definition of an Eligible Executive shall become an “Inactive Participant” in the Plan if he or she is vested under Section 5.1. Notwithstanding any provision contained herein to the contrary, an Inactive Participant who incurs a Termination of Employment or Disability may not continue participation in the Plan with respect to the Death Benefit described in Section 4.4.

ARTICLE 4
PLAN BENEFITS

4.1 <u>Calculation of Retirement Benefits</u>.

Subject to the vesting and other requirements of Article 5 hereof and the provisions of Sections 4.2, 4.3, and 4.7, a Participant's "**Total Retirement Benefit**" means the Participant's Basic Annual Retirement Benefit (as defined below) payable for ten (10) years (with the amount paid each year being equal to the Basic Annual Retirement Benefit); provided, however, that if an Offset Plan exists, the Total Retirement Benefit shall be offset by benefits payable under the Offset Plans. Such offset shall be applied by reducing each payment of the Total Retirement Benefit by the Offset Plan Amount (as described in Section 4.2(b)).

A Participant's **"Basic Annual Retirement Benefit"** shall mean an amount determined under the following formula:

(a) First, the Participant's age (based on full years) at Termination of Employment <u>plus</u> Years of Service (based on full years) at Termination of Employment shall be <u>divided</u> by 80; provided that this shall not exceed one (1); and

(b) Second, the figure determined in subparagraph (a) above shall be multiplied by 36% of a Participant's Covered Compensation;

provided, however, that if the Participant has at least 25 Years of Service, of which at least 10 years are for service as an Eligible Executive, the number in paragraph (a) shall be one (1), such that the total Basic Annual Retirement Benefit is 36% of his Covered Compensation.

For the avoidance of doubt, a Participant's Basic Annual Retirement Benefit is calculated as the total amount payable over a 12-month period. The timing and methods of paying a Participant's Total Retirement Benefit shall be determined in accordance with the foregoing applicable provisions of this Plan document.

4.2 <u>Normal Retirement; Form of Payment</u>.

Subject to the provisions and requirements of Article 6 of the Plan and Section 4.3 below, a Participant will begin receiving payment of his or her Total Retirement Benefit effective on the first business day of the month after the Participant's Normal Retirement Date; provided, however, that, if the Participant is subject to the Six-Month Payment Delay Rule, payment will not commence until on or after the first business day of the seventh (7th) month following the date when the Participant has incurred a Separation From Service. Payment of a Participant's Total Retirement Benefit shall be made in accordance with the following:

(a) <u>Retirement Before Final Section 409A Effective Date</u>. If a Participant retires before the Final Section 409A Effective Date (including during the Interim Section 409A Period), then his or her Total Retirement Benefit will be made in 120 equal monthly installments effective with the first month for which payment is made after the Participant's retirement date and ending on the 120th month thereafter; provided, however, that the first payment made to a Specified Employee will include payments that would have otherwise been made but for the Six-Month Payment Delay Rule. If a Participant dies after becoming an Inactive Participant, but prior to receiving 120 monthly payments, the remaining portion of his or her Total Retirement Benefit shall be paid to the Participant's Beneficiary in the same time and manner as if the Participant had not died.

(b) Retirement on or After the Final Section 409A Effective Date. If a Participant retires on or after the Final Section 409A Effective Date, then his or her Total Retirement Benefit will be paid as follows:

(1) First, the Participant will receive 24 equal monthly installments, each equal to (i) one-120th of the Participant's Total Retirement Benefit, minus (ii) the Offset Plan Amount for the applicable month (to the extent that an Offset Plan exists). If the Participant is a Specified Employee and the Six-Month Payment Delay Rule applies, the first payment made will include the payments that would have been due before the date of the first payment if not for the Six-Month Payment Delay Rule.

(2) Second, the Participant will receive a lump-sum payment within 90 days after the first business day of the 25th month following the Participant's retirement date. Such lump-sum payment shall be equal to (i) the Actuarial Equivalent of the remaining 96 monthly payments, minus (ii) the applicable Offset Plan Amount (to the extent that an Offset Plan exists).

If a Participant dies after becoming an Inactive Participant, but prior to receiving his or her 24 monthly payments or lump sum payment, as the case may be, all remaining payments shall be made to the Participant's Beneficiary in the same time and manner as if the Participant had not died.

4.3 Early Retirement.

A Participant who has incurred an Early Retirement Date will begin receiving payment of his or her Total Retirement Benefit on the first business day of the month coincident with, or next following, his or her Early Retirement Date; provided, however, that, if the Participant is subject to the Six-Month Payment Delay Rule, payment will not commence until the first business day of the seventh (7th) month on or after the date when the Participant has incurred a Separation From Service. A Participant may make one written election with the Committee to defer payments beyond his or her Early Retirement Date provided that the election is filed with the Committee at least one year before the Participant's Early Retirement Date, payments are delayed for at least five (5) years after that date and the election applies to both this Plan and any Offset Plan. A Participant's Total Retirement Benefit payable in connection with his or her Early Retirement Date shall be payable in accordance with the applicable provisions of subparagraph (a) or (b) of Section 4.2 above and shall be reduced by: (A) 0.25% for each of the first 60 months by which the commencement of retirement payments (determined before application of the Six-Month Payment Delay Rule) precedes the first business day of the month coincident with or next following the Participant's 65th birthday and (B) 0.50% for each of the next 60 months (*i.e.*, the 61st through 120th) months by which the commencement of retirement payments precedes the first business day of the month coincident with or next following the Participant's 65th birthday. Such reduction shall be applied before subtraction of any Offset Plan Amount. If the Participant's Separation From Service occurs before his Termination of Employment (*e.g.*, by reason of the Company requesting, without "cause," that the Participant reduce his work hours or stop reporting to work before the end of an applicable notice period), the reduction required by this Section 4.3 shall be determined based on the commencement date that would apply if the Participant's Separation From Service had occurred on the date of his Termination of Employment.

4.4 <u>Death Benefit</u>.

If an Active Participant dies before incurring a Termination of Employment, his or her Beneficiary shall be entitled to receive, in lieu of a benefit under Section 4.1, a lump sum payment equal to 200% of the amount of the Participant's Death Benefit Earnings (the "**Death Benefit**") within 90 days following the Participant's death (and the Beneficiary may not determine the calendar year when the lump sum payment is made); provided, however, that if an Offset Plan exists, such Death Benefit shall be reduced by the Participant's Offset Plan Amount (expressed as a lump sum payable on the same day as the Death Benefit). The Company may maintain an insurance policy (or policies) on the life of the Participant to pay the Death Benefit. Any payment of insurance proceeds to the Beneficiary (whether paid directly by the insurer or otherwise) shall be treated as a payment made under the Plan and shall count toward satisfying all obligations under the Plan. If the proceeds under any insurance policy exceed the amount of the Death Benefit (or any other benefit) payable under the Plan, the excess proceeds shall first be applied toward payment of the Participant's benefit under the Avnet Restoration Plan (as if such excess had been paid under the Avnet Restoration Plan) and any remaining proceeds shall be paid to the Company.

4.5 <u>Disability Benefit</u>.

An Active Participant who becomes unable to work due to Disability may be eligible to receive a Disability Pension (as defined below). To be eligible to receive a Disability Pension, a Participant must have:

(a) completed at least five (5) Years of Service as a full-time employee of an Employer;

(b) ceased working for the Company due to Disability before his or her Normal Retirement Date or, if applicable, Early Retirement Date; and

(c) filed an application for disability benefits under the Avnet Pension Plan, any disability plan sponsored or maintained by an Employer or, for Participants who are not covered under any such plan and reside in a country other than the United States of America, a disability program established or maintained under the national laws of his or her resident country.

A Participant's annual "**Disability Pension**" shall be equal to 13% of his or her Death Benefit (determined as if the Participant had died on the date he or she is first considered to be Disabled under the Plan). If the Participant's Disability qualifies as a Section 409A Disability, his or her Disability Pension will be paid over a ten (10) year period (120 monthly payments) commencing on the first business day of the month on or after the Participant's Disability date. If the Participant's Disability does not qualify as a Section 409A Disability, his or her Disability Pension shall be paid at the time and in the form prescribed by Sections 4.2(b) (Retirement on or After Final Section 409A

Effective Date) and 4.3 (Early Retirement). If an Offset Plan exists, each Disability Pension payment shall be reduced by the applicable Offset Plan Amount.

If a Participant dies prior to receiving all of the monthly payments required by this Section 4.5, the remaining payments shall be paid to the Participant's Beneficiary as follows: (i) if the Participant's Disability qualifies as a Section 409A Disability, in a lump sum equal to the Actuarial Equivalent of the remaining monthly payments, within 90 days following the Participant's death (and the Beneficiary may not determine the calendar year when the lump sum payment is made); or (ii) if the Participant's Disability does not qualify as a Section 409A Disability, in accordance with the schedule prescribed by Section 4.2.

Payments made under this Section 4.5 shall be in lieu of any payment that a Participant or Beneficiary may otherwise be entitled to under the preceding Sections of this Article 4; provided, however, that if the Participant is 100% vested in his or her Total Retirement Benefit and the Actuarial Equivalent of his or her Total Retirement Benefit (before application of the required offset) is greater than the Actuarial Equivalent of his or her Disability Pension (before application of the required offset), the Actuarial Equivalent of his or her Disability Pension (before application of the required offset) shall be increased to be equal to the Actuarial Equivalent of his or her Total Retirement Benefit (before application of the required offset).

4.6 Interest Adjustment For Six-Month Delay Rule.

Any payments that are delayed under the Plan due to the Six-Month Delay Rule will include interest in accordance with this Section 4.6. The interest for each delayed monthly payment will be calculated separately, but in all cases will be based on the Present Value Interest Factor in effect on the Participant's Payment Calculation Date. Interest on each delayed monthly payment will be calculated on a daily basis starting with the date that the payment would have otherwise been made (if not for the Six-Month Delay Rule) and ending with the day prior to the actual payment date, on a per annum basis and based on a 365 day year (with the actual number of days elapsed).

4.7 Minimum and Maximum Benefits Payable Under the Plan.

Effective June 1, 2012, notwithstanding any other provision of the Plan, the sum of (i) the Actuarial Equivalent of a Participant's total benefit payable under this Plan (after applying the required offset), plus (ii) the Actuarial Equivalent of the Participant's total benefit payable under the Offset Plans (which, in the case of the Avnet Restoration Plan, shall be the balance of the Participant's Restoration Account under the Avnet Restoration Plan) shall not exceed $10 million.

ARTICLE 5
VESTING; NON-COMPETE REQUIREMENTS

5.1 Vesting of Total Retirement Benefit.

Subject to Section 5.2, a Participant will be 100% vested in his or her Total Retirement Benefit by completing at least 5 Years of Service as an Eligible Executive and by meeting the requirements set forth in this Section 5.1 (a), (b) or (c). Alternatively, if a Participant fails to meet the requirements set forth in this Section 5.1, he or she will be 0% vested in his or her Total Retirement Benefit and, accordingly, not entitled to receive retirement payments in connection with his or her a Normal Retirement Date or Early Retirement Date. The requirements of this Section 5.1 are as follows:

(a) If the Participant incurs a Termination of Employment before attaining age 50, he or she must have completed at least 20 Years of Service;

(b) If the Participant incurs a Termination of Employment after attaining age 50, but prior to attaining age 55, he or she must have completed at least 15 Years of Service; or

(c) If the Participant incurs a Termination of Employment on or after attaining age 55, he or she must have completed 10 Years of Service.

5.2 Impact of Confidentiality, Non-Compete and Non-Solicitation Provisions.

(a) Application of Employment Agreement Provisions. If at any time before or after Termination of Employment, the Committee determines that a Participant has violated any of the terms and conditions of an employment agreement that is in place between the Company (or an Affiliate) and a Participant prohibiting the Participant from disclosing any confidential information of the Company (or an Affiliate), competing with the Company (or an Affiliate) or soliciting employees of the Company (or an Affiliate), then all of the Participant's benefits under the Plan (including his or her Total Retirement Benefit, Disability Pension and Death Benefit) shall be forfeited. In such case, no payments, or further payments, will be made to the Participant or his or her Beneficiary under the Plan. To the maximum extent permitted under applicable law, the Company shall have the right to recover (in equity or at law) any payments made to, or on behalf of, a Participant if this Section 5.2 is violated including, but not limited to, an action for restitution for unjust enrichment for improperly paid benefits under the Plan, and any payments made to the Participant shall be deemed to be held in a constructive trust until recovered by the Company.

(b) Provisions Not Contained in Employment Agreement. If a Participant does not have an employment agreement with the Company (or an Affiliate), or if such as agreement does not contain a prohibition on disclosing confidential information of the Company (or an Affiliate), competing with the Company (or an Affiliate) or soliciting employees or customers of the Company (or an Affiliate), then the benefit forfeiture and benefit payment restoration provisions of subparagraph (a) above shall apply if the Committee determines that the Participant has violated one of the following provisions:

(1) Restrictive Covenants. Except as otherwise provided in a restrictive covenant agreement that expressly refers to benefits under this Plan, during the period that the Participant is receiving benefits pursuant to the Plan, not to exceed two (2) years from the date of the Participant's retirement, the Participant shall not, directly or indirectly, for his own benefit or for, with or through any other individual, firm, corporation, partnership or other entity:

(A) Own, manage, operate, control, advise, invest in (except as a 1% or less shareholder of a public company), loan money to, or participate or assist in the ownership, management, operation or control of or be associated as a director, officer, employee, partner, consultant, advisor, creditor, agent, independent contractor or otherwise with, or acquiesce in the use of his name by, any business enterprise that is in direct competition with Avnet or any of its subsidiaries within the geographic scope set forth in such agreement; or

(B) Hire, employ, solicit, or otherwise encourage or entice any employees or consultants of Avnet or any of its subsidiaries to leave or terminate their employment with Avnet or such subsidiary.

(2) Use and Nondisclosure of Confidential Information.

(A) For purposes of this subparagraph 5.2(b)(3), the following terms shall apply:

(i) "**Confidential Information**" means that confidential business information of the Company or an Affiliate, whether or not discovered, developed, or known by the Participant as a consequence of his employment with the Company or an Affiliate. Without limiting the generality of the foregoing, Confidential Information shall include information concerning customer identity, needs, buying practices and patterns, sales and management techniques, employee effectiveness and compensation information, supply and inventory techniques, manufacturing processes and techniques, product design and configuration, market strategies, profit and loss information, sources of supply, product cost, gross margins, credit and other sales terms and conditions. Confidential Information shall also include, but not be limited to, information contained in manuals, memoranda, price lists, computer programs (such as inventory control, billing, collection, etc.) and records prepared by, or on behalf of, the Company (or an Affiliate), whether or not designated, legended or otherwise identified by the Company (or an Affiliate) as Confidential Information.

(ii) "**Developments**" mean those inventions, discoveries, improvements, advances, methods, practices and techniques, concepts and ideas, whether or not patentable, relating to present and prospective activities and products of the Company (or an Affiliate).

(B) A Participant will be in violation of this subparagraph 5.2(b)(3) if he violates or does not comply with either (i), (ii) or (iii) below:

(i) Assignment of Developments. Any and all Developments developed by the Participant (acting alone or in conjunction with others) during the period of the Participant's employment with the Company (or an Affiliate) shall be conclusively presumed to have been created for or on behalf of the Company (or an Affiliate) as part of the Participant's obligations to the Company (or an Affiliate). Such Developments shall be the property of and belong to the Company (or an Affiliate) without the payment of consideration therefor in addition to the Participant's Compensation or benefits hereunder, and the Participant hereby transfers, assigns and conveys all of the Participant's right, title and interest in any such Developments to the Company (or an Affiliate) and shall execute and deliver any documents that the Company deems necessary to effect such transfer on the demand of the Company.

(ii) Restrictions on Use and Disclosure. The Participant shall not to use or disclose at any time, except with the prior written consent of the CEO, any Confidential Information which is or was obtained or acquired by the Participant while in the employ of the Company (or an Affiliate); provided, however, that this provision shall not preclude the Participant from (y) the use or disclosure of such information which presently is known generally to the public or which subsequently comes into the public domain, other than by way of disclosure in violation of this provision or in any other unauthorized fashion, or (z) disclosure of such information required by law or court order; provided that prior to such disclosure required by law or court order the Participant will have given the Company at least three (3) business days' written notice (or, if disclosure is required to be made in fewer than three (3) business days, then such notice shall be given as promptly as practicable after determination that disclosure may be required) of the nature of the law or order requiring disclosure and the disclosure to be made in accordance therewith.

(iii) Return of Documents. Upon Termination of Employment with the Company (and all of its Affiliates), the Participant shall forthwith deliver to the CEO all documents, customer lists and related documents, price and procedure manuals and guides, catalogs, records, notebooks and similar repositories of or containing Confidential Information and/or Developments, including all copies then in his possession or control whether prepared by him or others.

ARTICLE 6
DISTRIBUTION PROCEDURES

6.1 Distribution of Benefits.

Benefits under the Plan shall not be paid until the Participant or Beneficiary files any written distribution forms required by the Committee with the Company, and the Committee approves the distribution. If such forms are not timely filed or there is an administrative delay in making the payment, then payment will be made at a later date within the same taxable year as the originally scheduled payment date under the Plan (and, if this occurs after a Participant's Normal Retirement Date and was not due to the fault of the Participant or Beneficiary, he or she will receive retroactive payments with interest calculated in accordance with Section 4.6). Payments delayed due to an administrative delay on behalf of the Company or the Committee will commence no later than the 15th day of the third calendar month following the originally scheduled payment date under the Plan (and the first payment will include the delayed payments with interest calculated in accordance with Section 4.6 except as provided in Section 6.3 below); provided, however, that if the calculation of the amount of payment under the Plan is not administratively practicable (due to events beyond the control of the Participant or Beneficiary), the payment will be made in the first calendar year in which the calculation of the amount of the payment is administratively practicable (and the first payment will include the delayed payments with interest calculated in accordance with Section 4.6 except as provided in Section 6.3 below). No provision of this Section 6.1 shall be construed as permitting a Participant or Beneficiary to directly or indirectly designate the taxable year of a payment described in this Section, and this Section 6.1 shall be construed and limited as necessary to effectuate the intent to comply with Code Section 409A.

6.2 No Loans or Financial Hardship or In-Service Withdrawals.

The Plan does not permit loans or financial hardship or in-service distributions.

6.3 Inability to Locate Participant.

In the event that the Committee is unable to locate a Participant or Beneficiary within two (2) years following the Participant's 65th birthday, no payment will be made of his or her Total Retirement Benefit. However, if Participant or Beneficiary later claims such benefit prior to the expiration of a ten (10) year period from the Participant's 65th birthday, such benefit shall be reinstated without interest or earnings.

6.4 Trust.

In the event that a Change of Control occurs (or is imminent), a Participant may direct that the Company establish a Trust with a financial institution or trust company and deposit into the Trust cash, marketable securities or insurance policies in an amount sufficient to fund his or her vested Total Retirement Benefit. The Company may establish separate Trusts for each Participant or one Trust for all Participants, in its discretion.

ARTICLE 7
ADMINISTRATION

7.1 Committee.

A Committee shall be appointed by, and serve at the pleasure of, the Board of Directors to administer the Plan. The number of members comprising the Committee shall be determined by the Board which may from time to time vary the number of members. A member of the Committee may resign by delivering a written notice of resignation to the Board. The Board may remove any member by delivering a certified copy of its resolution of removal to such member. Upon his or her Termination of Employment or affiliation with the Company, as the case may be, a person shall automatically cease being a Committee member. Vacancies in the membership of the Committee shall be filled promptly by the Board.

7.2 Committee Action.

The Committee shall act at meetings by affirmative vote of a majority of the members of the Committee. Any action permitted to be taken at a meeting may be taken without a meeting if, prior to such action, a written consent to the action is signed by all members of the Committee and such written consent is filed with the minutes of the proceedings of the Committee. A member of the Committee shall not vote or act upon any matter which relates solely to himself or herself as a Participant. The Chairman or any other member or members of the Committee designated by the Chairman may execute any certificate or other written direction on behalf of the Committee. Notwithstanding the foregoing, the Committee may delegate specific functions or duties to a specific Committee member or members.

7.3 Powers and Duties of the Committee.

The Committee shall enforce the Plan in accordance with its terms, shall be charged with the general administration of the Plan and shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

(a) to construe and interpret the terms and provisions of this Plan and to remedy or correct any ambiguities, omissions or inconsistencies contained therein;

(b) to compute and certify to the amount and kind of benefits payable to Participants and their Beneficiaries;

(c) to maintain all records that may be necessary for the administration of the Plan;

(d) to provide for the disclosure of all information and the filing or provision of all reports and statements to Participants, Beneficiaries or governmental agencies as shall be required by applicable law;

(e) to promulgate, administer and enforce such rules for the regulation of the Plan and procedures for the administration of the Plan as are not inconsistent with the terms hereof;

(f) to appoint an administrator or any other agent, and to delegate to them such powers and duties in connection with the administration of the Plan as the Committee may from time to time prescribe;

(g) to take all actions, and provide any necessary consents or directions, with respect to any insurance policies obtained by an Employer relating to the Plan; and

(h) to take all actions set forth in a Trust agreement.

7.4 Construction and Interpretation.

The Committee shall have full discretion to construe and interpret the terms and provisions of this Plan, which interpretation or construction shall be final and binding on all parties, including but not limited to an Affiliate or any Participant or Beneficiary. The Committee shall administer such terms and provisions of the Plan in accordance with any and all laws applicable to the Plan.

7.5 Information.

To enable the Committee to perform its functions, the Company shall supply full and timely information to the Committee on all matters relating to the Compensation of all Participants, their death or other cause of termination, and such other pertinent facts as the Committee may require.

7.6 Compensation, Expenses and Indemnity.

(a) The members of the Committee shall serve without compensation for their services hereunder.

(b) The Committee is authorized at the expense of the Company to employ such legal counsel as it may deem advisable to assist in the performance of its duties hereunder. Expenses and fees in connection with the administration of the Plan shall be paid by the Company, to the extent that the Committee does not authorize payment from a Trust (in accordance with the terms of a Trust).

(c) The Company shall indemnify and hold harmless the Committee and each member thereof, the Board of Directors and any delegate of the Committee who is an employee of the Company against any and all expenses, liabilities and claims, including legal fees to defend against such liabilities and claims arising out of their discharge in good faith of responsibilities under, or incident to, the Plan, other than expenses and liabilities arising out of willful misconduct. This indemnity shall not preclude such further indemnification as may be available under insurance purchased by the Company or provided by the Company under any bylaw, agreement or otherwise, as such indemnification is permitted under applicable law.

7.7 Disputes.

(a) **Claims and Appeals Procedures**.

Claims and appeals for participation or benefits under the Plan shall be filed in accordance with procedures established by the Committee or its designee. Except to the extent the Committee provides otherwise, the procedures of claims and appeals shall be set forth in the Summary of the Plan.

(b) **Limitations on Bringing a Legal Action**.

A legal action relating to a claim or right to benefits under the Plan may be brought by, or on behalf of, a Participant or Beneficiary only during a certain period. This period begins after the appeal process has ended under paragraph (b) above and ends 120 days thereafter. However, in no event may a legal action be brought by, or on behalf of, a Participant more than one (1) year after the date when the Participant knows (or should have known) of the existence of, or the underlying facts allegedly supporting the claim or right which is the basis of his or her claim or assertion for benefits or payments under, or relating to, the Plan; provided, however, that, if the formal claim or appeal is pending under paragraph (a) or (b) above at the end of the one (1) year period, then such 120-day limitation rule shall apply.

(c) **Impact of Delayed Payments under Code Section 409A**.

Notwithstanding the foregoing, if a Claimant files a claim within 90 days after the latest date on which a payment could be made to him or her under the Plan and the Section 409A Rules, and the claim or appeal has not been resolved favorable to the Claimant by the 160th day after such latest date, the Claimant may take further enforcement measures to collect payments which the Claimant asserts are owed to him or her under the Plan; provided, however, that, if such action is not taken within 180 days after such latest date, the Claimant's action will not be presumed to be prompt under the Section 409A Rules and this paragraph (d) shall not apply.

ARTICLE 8
MISCELLANEOUS

8.1 <u>Unsecured General Creditor</u>.

Participants and their Beneficiaries, heirs, successors, and assigns shall have no legal or equitable rights, claims, or interests in any specific property or assets of the Company. No assets of the Company shall be held under any trust (other than a Trust), or held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. Except as provided in a Trust, any and all of the Company's assets relating to the Plan shall be, and remain, the general unpledged, unrestricted assets of the Company. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Company to pay money in the future, and the rights of the Participants and Beneficiaries shall be no greater than those of unsecured general creditors. It is the intention of the Company that this Plan (and any Trust) be unfunded for purposes of the Code and Title I of ERISA.

8.2 <u>Restriction Against Assignment</u>.

The Company shall pay all amounts payable hereunder only to the person or persons designated by the Plan and not to any other person or corporation. No part of a Participant's benefits hereunder shall be liable for the debts, contracts or engagements of any Participant, his or her Beneficiary, or successors in interest. Except as may be required by a valid and recognizable qualified domestic relations order under ERISA, a Participant's benefits hereunder shall not be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding. A Participant or Beneficiary shall not have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber or assign any benefits or payments hereunder in any manner whatsoever. If any Participant, Beneficiary or successor in interest is adjudicated bankrupt or purports to anticipate, alienate, sell, transfer, commute, assign, pledge, encumber or charge any distribution or payment from the Plan, voluntarily or involuntarily, the Committee, in its discretion, may cancel such distribution or payment (or any part thereof) to or for the benefit of such Participant, Beneficiary or successor in interest in such manner as is consistent with applicable law.

8.3 <u>Withholding</u>.

There shall be deducted from each payment made under the Plan or Trust or any other Compensation payable to the Participant (or Beneficiary) all taxes which are required to be withheld by the Company in respect to such payment or this Plan. The Company shall have the right to reduce any payment (or Compensation) by the amount of cash sufficient to provide the amount of said taxes.

8.4 <u>Amendment, Modification, Suspension or Termination</u>.

The Board of Directors may amend, modify, suspend or terminate the Plan in whole or in part by adopting a written instrument, except that no amendment, modification, suspension or termination shall have any retroactive effect to reduce the amount of a Participant's vested Total Retirement Benefit that has accrued as of the date of the amendment. In addition, the Committee has the right to amend any Plan provision as long as any such amendment does not cause a material increase in the costs incurred by the Company in connection with the Plan. In the event that this Plan is terminated, a Participant's vested Total Retirement Benefit shall be distributed to the Participant under the terms of the Plan in existence as of the date of termination and in compliance with the Section 409A Rules.

8.5 Governing Law.

This Plan shall be construed, governed and administered in accordance with the laws of the State of Arizona, without regard to its conflict of law provisions and except to the extent that its laws are preempted by the laws of the United States of America and, where applicable, the Section 409A Rules.

8.6 Receipt or Release.

Any payment to a Participant or the Participant's Beneficiary in accordance with the provisions of the Plan shall, to the extent thereof, be in full satisfaction of all claims against the Committee and the Company (including claims unrelated to this Plan). The Committee may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect.

8.7 Notices.

All notices or other communications by a Participant to the Company in connection with the Plan shall be deemed to have been duly given when received by the Secretary of the Company or by any other person designated by the Company for the receipt of such notices or other communications, in the form and at the location specified by the Company.

8.8 Headings and Gender.

The headings to Sections in the Plan have been included for convenience of reference only. The masculine pronoun shall include the feminine and the singular the plural, whenever appropriate. Except as otherwise expressly indicated, all references to Sections in the Plan shall be to Sections of the Plan.

8.9 Plan Not a Contract of Employment.

The Plan does not constitute a contract of employment and participation in the Plan does not give any Eligible Executive or Participant the right to be retained in the employ of, or in a particular position with, an Employer or a right or claim to any benefit under the Plan, unless such right or claim was specifically achieved under the terms of the Plan.

8.10 Construed as a Whole.

The provisions of the Plan shall be construed as a whole in such manner as to carry out the provisions thereof and shall not be construed separately without relation to the context.

8.11 Severability.

If any provision of this Plan unrelated to its status under Title I of ERISA as an unfunded plan maintained for a select group of management or highly compensated employees is held to be invalid or unenforceable by a court of competent jurisdiction, such holding shall not impact the validity or enforceability of the remaining provisions of the Plan.

8.12 Successors.

The terms and condition of the Plan and any Trust shall be binding on the Employers and their successors and assigns.

8.13 Privilege.

The Company, Board, and Committee may engage attorneys, accountants, actuaries, consultants, and other service providers to advise them on issues related to the Plan and their responsibilities hereunder. When they do so, the adviser's client is the Company, Board, or Committee, as applicable, and not any Eligible Executive, Participant, or Beneficiary. The Company, Board, and Committee shall be entitled to preserve the attorney-client privilege and any other privilege accorded to communications with a service provider, and all other rights to maintain confidentiality, to the full extent permitted by law. No Eligible Executive, Participant, or Beneficiary shall be permitted to review any communication between the Company, Board, or Committee (including any of their representatives, agents or delegates) and any of their attorneys or other service providers with respect to whom a privilege applies, unless mandated by a court order.

Exhibit 10.14

Avnet Restoration Plan

2013 Restatement

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Article 1
Introduction

About the Plan

(a) Avnet, Inc., a New York corporation, established the Avnet Restoration Plan effective January 1, 2012, to restore certain retirement benefits that cannot be provided under the Avnet Pension Plan, by reason of the limits required by Sections 401(a)(17) and 415 of the Code.

(b) The Plan is unfunded and is maintained primarily for the purpose of providing deferred compensation for a select group of management and highly compensated employees. The Plan shall not be subject to the participation and vesting, funding, or fiduciary requirements (Parts 2, 3, and 4 of Title I) of ERISA.

(c) Benefits due under the Plan shall be payable from the general assets of the Company or, in the sole discretion of the Plan Committee, from the assets of the Employer or a Trust. All benefits under the Plan are subject to the claims of the Company's general creditors in the event of the Company's bankruptcy or insolvency.

Effective Date

Except as otherwise expressly provided, the Plan is effective as of January 1, 2012.

Article 2
Definitions

Definitions
For purposes of the Plan, unless the context clearly or necessarily indicates the contrary, the following words and phrases shall have the meaning set forth in the definitions below. Capitalized terms that are not defined herein shall have the same meaning as under the Avnet Pension Plan.

(a) **"Affiliate"** means the Company and any other entity that is, or would be, aggregated and treated as a single employer with the Company under Section 414(b) or (c) of the Code; provided, however, that an ownership threshold of at least 50% shall be used hereunder instead of the 80% minimum ownership threshold that would otherwise apply under such sections of the Code.

(b) **"Avnet Pension Plan"** means the Avnet Pension Plan, as in effect and amended from time to time.

(c) **"Beneficiary"** means the Participant's beneficiary under the Avnet Pension Plan; provided, however, that if the Participant has a vested benefit under the SERP, his Beneficiary under this Plan shall be his beneficiary under the SERP.

(d) **"Board"** means the Board of Directors of the Company.

(e) **"Cause"** means, for a Participant, the Participant's gross misconduct; breach of any material term of any employment agreement with the Company or an Affiliate; material violation of the Company's or an Affiliate's code of conduct; willful breach, habitual neglect or wanton disregard of his duties; or conviction of any criminal act.

(f) **"Change of Control"** means the occurrence of any of the following events, provided that such event constitutes a change in ownership or control under Section 409A of the Code:

(1) The acquisition by any individual, entity or group (within the meaning of Treas. Reg. § 1.409A-3(i)(5)(v)(B)) of stock of the Company that, together with all other stock held by such individual, entity or group, constitutes more than 50% of either: (A) the then-outstanding shares of common stock of the Company or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally on the election of members of the Board; provided, however, that the following transactions shall not constitute a Change of Control under this paragraph (1): (x) any acquisition directly from the Company (excluding an acquisition by virtue of the exercise of a conversion privilege), (y) any acquisition by the Company, and (z) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or an Affiliate;

(2) The individuals who constitute the Board are replaced during any 12-month period by new Board members whose appointment or nomination was not endorsed by a majority of the individuals who were members of the Board immediately before such 12-month period; or

(3) The sale or other disposition of substantially all of the assets of the Company.

(g) **"Code"** means the Internal Revenue Code of 1986, as amended.

(h) **"Company"** means Avnet, Inc., a New York corporation, and any successor thereto.

(i) **“Eligible Employee”** means an individual who (1) is an “eligible employee” under the Avnet Pension Plan and (2) is part of a select group of management and highly compensated employees who are designated by the Plan Committee as eligible to accrue benefits under the Plan.

(j) **“Employer”** means the Company and any Affiliate that has adopted the Avnet Pension Plan.

(k) **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

(l) **“Interest Credit”** means the interest credited to a Participant's Restoration Account for a Plan Year, as described in Section 4.01(b).

(m) **“Interest Crediting Rate”** means, for any Plan Year, the annual interest crediting percentage for such Plan Year for Post-2010 Balances under the Avnet Pension Plan. (As of January 1, 2012, the Interest Crediting Rate is 4% per year.)

(n) **“Participant”** means an individual who has commenced, and not ceased, participation in the Plan in accordance with Section 3.01.

(o) **“Payment Date”** means, for a Participant, the date as of which the Participant's benefit under the Plan is scheduled to be paid, as prescribed by Section 4.02. For a Participant who is also a participant in the SERP, the Payment Date shall be the “payment calculation date” determined under the SERP.

(p) **“Plan”** means this Avnet Restoration Plan, as set forth herein and amended from time to time.

(q) **“Plan Committee”** means the committee responsible for administering the Plan, as described in Section 5.01.

(r) **“Plan Year”** means the plan year under the Avnet Pension Plan.

(s) **“Qualified Plan Limits”** means the limits on benefits that may accrue or be paid under a tax-qualified defined benefit plan pursuant to Section 401(a)(17) of the Code and Section 415 of the Code.

(t) **“Restoration Account”** means, for each Participant, the book-entry account described in Section 4.01. The establishment of a Restoration Account shall not result in assets being set aside for the benefit of any individual. Immediately after the Participant's Payment Date, the balance of his Restoration Account shall be zero.

(u) **“Restoration Contribution Credit”** means the amount contributed to a Participant's Restoration Account each Plan Year as described in Section 4.01(a).

(v) **“Separation from Service”** means the date of an individual's “separation from service” (within the meaning of Section 409A(a)(2)(A)(i) of the Code) with the Employer and its Affiliates, as determined by the Company in accordance with Treas. Reg. § 1.409A-1(h)(1). For purposes of the Plan:

(1) An individual who is on a leave of absence (with the expectation that he will return) and does not have a statutory or contractual right to reemployment shall be deemed to have had

a Separation from Service on the first date that is more than six months after the commencement of such leave of absence. However, if the leave of absence is due to any medically determinable physical or mental impairment that can be expected to last for a continuous period of six months or more, and such impairment causes the individual to be unable to perform the duties of his position of employment or any substantially similar position of employment, the preceding sentence shall be deemed to refer to a 29-month period rather than to a six-month period; and

(2) A sale of assets to an unrelated buyer that results in an individual working for the buyer or one of its affiliates shall constitute a Separation from Service for such individual unless the Company, with the buyer's written consent, provides otherwise in writing before the closing of such sale.

(w) **"SERP"** means the Avnet Supplemental Executive Officers' Retirement Plan, as in effect and amended from time to time.

(x) **"Trust"** means a grantor trust established pursuant to a trust agreement or other written instrument that (a) states that the assets of such trust are subject to claims of creditors of the Company in the event of its bankruptcy or insolvency, (b) states that such trust shall be irrevocable until all claims for benefits under the plans, programs, agreements, and other arrangements covered by such trust have been satisfied, and (c) complies with the applicable provisions of Section 409A of the Code.

Rules of Construction

(a) Gender and Number. Words used in the masculine gender shall be deemed to refer to females as well as males. Unless otherwise expressly provided, words used in the singular form shall include the plural form, where appropriate, and vice versa.

(b) Include. The words "include" and "including" shall mean including, but not limited to.

(c) Statutes and Regulations. Each reference to a statute or regulation or to a statutory or regulatory provision shall refer to that provision (or to a successor provision of similar import) as currently in effect, as amended, or as reenacted, and to any regulations and other formal guidance of general applicability issued thereunder.

(d) Laws. Each reference to a law shall include any statute, regulation, rule, court case, or other requirement established by an exchange or a governmental authority or agency, and applicable law shall include any tax law that imposes requirements in order to avoid adverse tax consequences.

(e) Headings. Headings at the beginning of articles and sections hereof are for convenience of reference, shall not be considered a part of the text of the Plan, and shall not influence its construction.

(f) Context. The provisions of the Plan shall be construed as a whole in such manner as to carry out the provisions and purpose thereof, and shall not be construed separately without relation to the context.

(g) Timing of Payments.

(1) The phrase “as soon as practicable after” or any similar phrase shall mean the earliest administratively practicable date after the relevant date or event; provided that, in accordance with Treas. Reg. § 1.409A-3(b), such date shall be no later than the later of (i) the last day of the calendar year in which the relevant date or event occurs or (ii) the 90th day following the occurrence of the relevant date or event.

(2) To the extent that any payment under the Plan may be made within a specified number of days, or as soon as practicable, on or after any date or the occurrence of any date or event, the date of payment shall be determined by the Company or the Plan Committee in its sole discretion, and not by any Participant, Beneficiary, or other individual.

Article 3
Eligibility, Participation, and Vesting

Eligibility and Participation

(a) Eligibility to participate in the Plan shall be limited to a select group of management and highly compensated employees who are identified and classified by the Plan Committee as Eligible Employees.

(b) An individual who is designated as an Eligible Employee shall enter the Plan as of the date determined by the Plan Committee; provided that such date shall be no earlier than the later of (1) January 1, 2012, or (2) the Participant's most-recent entry date under the Avnet Pension Plan. The entry date for each Participant shall be as reflected in the Plan's records, unless the Plan Committee or the Board determines that such records reflect an administrative error.

(c) If a Participant is entitled to benefits under both this Plan and the SERP, his benefit under the SERP (whether a retirement benefit, disability benefit, or death benefit) shall be offset by his benefit under this Plan. Such offset shall be determined in accordance with the terms of the SERP.

(d) An individual who becomes a Participant shall continue to be a Participant until all benefits payable under the Plan to him and his Beneficiaries have been paid in full. If a Participant's Separation from Service occurs before his benefit under the Plan has become vested, he shall cease to be a Participant upon such Separation from Service.

Vesting

(a) No benefit shall be payable under the Plan unless it has become vested under this Section 3.02 or Section 7.02 (relating to termination of the Plan).

(b) Except as provided in subsection (c), below, or Section 7.02 (relating to termination of the Plan), a Participant shall be vested in his benefit under the Plan only if his Retirement Income under the Avnet Pension Plan is vested. If the Participant is not vested at the time of his Separation from Service, his Restoration Account shall be forfeited.

(c) If a Participant's employment with the Company and Affiliates is terminated involuntarily and without Cause within two years after a Change of Control, his benefit under the Plan shall be vested.

Article 4
Amount and Payment of Benefits

Amount of Benefits
A Participant's benefit under the Plan is expressed as the balance of his Restoration Account. Such balance shall equal the sum of the Participant's accumulated Restoration Contribution Credits and Interest Credits, as described in this Section 4.01.

(a) Restoration Contribution Credits. A Restoration Contribution Credit shall be added to each Eligible Employee's Restoration Account for each Plan Year in which the Eligible Employee is both an Eligible Employee and a Participant in the Plan. Such Restoration Contribution Credit shall be added as of the same time as the Contribution Credit for such Plan Year is added to the Eligible Employee's Cash Balance Account under the Avnet Pension Plan, and shall be equal to the excess, if any, of--

(1) The Contribution Credit that would be added to the Eligible Employee's Cash Balance Account under the Avnet Pension Plan for such Plan Year if not for the Qualified Plan Limits, less

(2) The actual Contribution Credit added to the Eligible Employee's Cash Balance Account under the Avnet Pension Plan for such Plan Year.

(b) Interest Credits.

(1) For each Plan Year that ends before a Participant's Payment Date, an Interest Credit shall be added to his Restoration Account as of the last day of such Plan Year. Such Interest Credit shall be equal to the Interest Crediting Rate for such Plan Year times the balance of the Participant's Restoration Account as of the first day of such Plan Year.

(2) For the Plan Year in which the Participant's Payment Date occurs, an Interest Credit shall be added to his Restoration Account immediately before his Payment Date. Such Interest Credit shall be equal to the amount described in paragraph (1), above, multiplied by a fraction, the numerator of which is the number of full calendar months elapsed during such Plan Year before the Participant's Payment Date and the denominator of which is 12.

Form and Time of Payment
A Participant's vested benefit under the Plan (if any) shall be paid as follows:

(a) Except as required by subsection (b), below (relating to participants in the SERP), such Participant's vested benefit shall be paid in a lump sum on the later of--

(1) The first business day of the seventh calendar month that begins after the Participant's Separation from Service, or

(2) The first business day of the first calendar month that starts after the Participant's 55th birthday.

(b) If the Participant is also a participant in the SERP, his vested benefit under the Plan shall be paid at the time and in the form prescribed by the SERP. Except as otherwise provided by the SERP in the case of disability (and subject to Section 4.04 (Death Benefits)), such vested benefit shall be paid as follows:

(1) The balance of the Participant's Restoration Account shall be converted to an actuarially equivalent series of 120 equal monthly installments, payable over 10 years, commencing as of the Participant's “payment calculation date” under the SERP. The amount of such monthly installments shall be calculated using the “present value interest factor” prescribed by the SERP as of the “payment calculation date” under the SERP.

(2) The Participant shall receive 24 monthly payments, each equal to the monthly amount calculated under paragraph (1), above, commencing at the time prescribed by the SERP. The six-month delay rule required by Section 409A of the Code shall be administered in the same manner as prescribed by the SERP: each monthly installment that is required to be delayed shall be paid at the time prescribed by the SERP, with interest to the extent prescribed by the SERP.

(3) On the date prescribed by the SERP, the present value of the remaining 96 payments shall be paid in a lump sum. Such present value shall be calculated in the manner prescribed by the SERP, using the same interest factor as is used for the calculation described in paragraph (1), above. (To the extent that the SERP requires payment in the form of 120 monthly installments, the benefit under this Plan shall also be paid in 120 monthly installments, and each installment shall be equal to the amount required by paragraph (1), above.)

Rehired Employees

The time of payment of benefits to any Participant who has had a Separation from Service shall not be affected in any way by a subsequent rehire. For example, if a Participant has a bona fide Separation from Service and is subsequently rehired, the vested benefit (if any) that accrued before such rehire shall be paid at the time and in the form prescribed by Section 4.02, above, without regard to the Participant's rehire.

Death Benefits

(a) If a Participant dies before his Payment Date, the only benefit payable under the Plan shall be a lump-sum payment to the Participant's Beneficiary. Such payment shall be equal to the vested balance, if any, of the Participant's Restoration Account and, subject to subsection (b), below, shall be made within 90 days after the Participant's death.

(b) If a Participant is also a participant in the SERP, and such Participant dies after his Separation from Service and before the last payment required by Section 4.02(b) is made, the payments required by Section 4.02(b) (or, if such payments have already started, any remaining payments) shall be paid to his Beneficiary at the time and in the form prescribed by the SERP.

Article 5
Plan Administration

Plan Administrator

The Plan shall be administered by the Plan Committee, which shall be the Committee that is responsible for administering the Avnet Pension Plan (as prescribed by the Avnet Pension Plan) or its designee.

Authority, Powers, and Responsibilities of Plan Committee

(a) The Plan Committee shall have the same authority, powers, and responsibilities with respect to the Plan as the Committee responsible for administering the Avnet Pension Plan has with respect to the Avnet Pension Plan; provided, however, that obligations imposed by Parts 2, 3, and 4 of Title I of ERISA (including ERISA's fiduciary responsibilities) shall not apply with respect to the Plan. For the avoidance of doubt, such authority, powers, and responsibility include the power to construe and interpret the terms and provisions of the Plan and to remedy or correct any ambiguities, omissions, or inconsistencies contained therein. Any interpretation of the Plan and any decision on any matter within the discretion of the Plan Committee that is made by the Plan Committee in good faith shall be binding on all persons.

(b) Any question with regard to the Plan Committee's authority, power, or responsibilities shall be resolved in a manner consistent with the provisions of the Avnet Pension Plan that set forth the authority and responsibilities of the Committee responsible for administering the Avnet Pension Plan (subject to this Plan's exemption from the requirements of Parts 2, 3, and 4 of Title I of ERISA). Such provisions are incorporated into the Plan by reference.

(c) The Company and Affiliates shall indemnify the Plan Committee against any and all liabilities, settlements, judgments, losses, costs, and expenses (including reasonable legal fees and expenses) of whatever kind and nature that may be imposed on, incurred by, or asserted against the Plan Committee by reason of the performance or nonperformance of the Plan administration function if such action or inaction did not constitute gross negligence or willful misconduct. The foregoing right of indemnification shall be in addition to other rights of the Plan Committee by law or by reason of insurance coverage of any kind, but shall not provide for duplication. The Company may, at its own expense, settle any claim asserted or proceeding brought against the Plan Committee or any of its members when the Company determines that settlement appears to be in the best interests of the Company.

Claims, Appeals, and Litigation

(a) <u>Claims and Appeals Procedures</u>.
Claims and appeals related to participation or benefits under the Plan shall be filed and resolved in accordance with the procedures that apply for claims and appeals under the Avnet Pension Plan. Such procedures are referred to herein collectively as the “claims procedure.”

(b) <u>Litigation</u>.

(1) No Applicable Claim (as defined in subsection (2), below) may be filed in any court or in any other forum until the claimant has exhausted the claims procedure referenced in Section 5.03(a). Any Applicable Claim shall be filed in a court described in subsection (3),

below, within the Applicable Limitations Period prescribed by subsections (4) and (5), below. No Applicable Claim may be filed after such Applicable Limitations Period.

(2) An “Applicable Claim” is:

(A) A claim or action to recover benefits allegedly due under the provisions of the Plan or by reason of any law;

(B) A claim or action to clarify rights to future benefits under the terms of the Plan;

(C) A claim or action to enforce rights under the Plan; or

(D) Any other claim or action brought by a person who is, seeks to be, or is a successor to a current or former (I) employee (within the meaning of Section 3(6) of ERISA) of an Employer or an Affiliate, (II) participant (within the meaning of Section 3(7) of ERISA), or (III) beneficiary (within the meaning of Section 3(8) of ERISA) that-

(i) Relates to the Plan; and

(ii) Seeks a remedy, ruling, or judgment of any kind against an Employer, the Plan Committee, the Plan, the trustee, or any other individual or entity involved with administering or providing services to the Plan.

(3) A court described in this subsection (3) shall be one of the following courts:

(A) The United States District Court for the district in which the Plan is principally administered;

(B) In the case of an action brought by an individual plaintiff, the United States District Court for the district in which such plaintiff resides; or

(C) In the case of an action brought by more than one plaintiff, the United States District Court for the district in which the largest number of plaintiffs (or in the case of a putative class action, the United States District Court for the district in which the largest number of putative class members) resides or is reasonably believed to reside.

If any Applicable Claim is filed in a court other than a court described in this subsection (3), the Plan, any Plan affiliates, and all alleged Plan Participants and Beneficiaries shall take all necessary steps to have the action removed to, transferred to, or refiled in a court described in this subsection (3).

(4) The “Applicable Limitations Period” for any Applicable Claim shall begin on the following date (the “Limitations Start Date”):

(A) In the case of an Applicable Claim to recover benefits allegedly due to the claimant from the Plan or to clarify the claimant's rights to future benefits from the Plan, the earliest of (i) the date the first benefit payment was actually made, (ii) the date the first benefit payment was allegedly due, or (iii) the date an Employer, the Plan

Committee, or the Plan first repudiated the alleged obligation to provide such benefits. A repudiation described in clause (iii) may be made in the form of a direct communication to the Participant or claimant (*e.g.*, denial of a claim under the administrative review referenced in Section 5.03(a)) or a more general oral or written communication related to benefits payable under the Plan (for example, summary of the Plan or provisions thereof, a benefit statement, or an agreement or offer letter); or

(B) In the case of any other Applicable Claim, the earliest date on which the claimant knew or should have known of the material facts on which such claim or action is based, regardless of whether the claimant was aware of the legal theory underlying the Applicable Claim.

(5) The Applicable Limitations Period for any Applicable Claim shall end on the second anniversary of the Limitations Start Date for such Applicable Claim; provided, however, that-

(A) If a request for administrative review pursuant to Section 5.03(a) is pending when the Applicable Limitations Period expires, the deadline for filing such Applicable Claim shall be extended to the date that is 60 calendar days after the final denial (including a deemed denial) of such claim on administrative review; and

(B) If paragraph (4)(B), above, applies, the Applicable Limitations Period shall end no later than six years after (i) the date of the last action on which such claim or action is based or (ii) in the case of an omission, the latest date on which such omission could have been cured, without regard to whether the claimant knew or should have known the material facts on which the claim or action is based.

(6) The Applicable Limitations Period described in this Section 5.03(b) replaces and supersedes any limitations period that otherwise might be deemed applicable under state or federal law in the absence of this Section 5.03(b). A claim or action filed after the expiration of the Applicable Limitations Period shall be deemed time-barred; provided, however, that the Plan Committee shall have discretion to extend the Applicable Limitations Period upon a showing of exceptional circumstances that, in the opinion of the Plan Committee, provide good cause for an extension. The exercise of this discretion is committed solely to the Plan Committee, and is not subject to review.

(7) In the event of any Applicable Claim brought by or on behalf of two or more claimants, the requirements of this Section 5.03(b) shall apply separately with respect to each claimant.

Article 6
Payment Rules

Funding and Obligation to Pay

(a) All benefits under the Plan shall be paid by the Company; provided that the Company may cause benefits to be paid by an Employer or a Trust. If a Participant also participates in the SERP and the offset required by the SERP for benefits payable under this Plan results in the net benefit payable under the SERP being less than the proceeds of any insurance policy under the SERP that are payable to the Participant or his beneficiary, the excess of such insurance proceeds over the net benefit payable under the SERP shall be applied toward payment of the Participant's benefit (or, if applicable, the death benefit payable on behalf of the Participant) under this Plan.

(b) In the event that a Change of Control occurs or is imminent, the Company shall contribute, or cause to be contributed, to a Trust, cash, marketable securities, or insurance policies in an amount equal to the sum of the balances of all Restoration Accounts under the Plan as of the date of the Change of Control (whether or not vested).

No Assignment or Alienation

(a) Except as provided in this Section 6.02(a), no benefit payable under this Plan shall be assigned or alienated.

(1) Benefits may be assigned pursuant to a domestic relations order that the Plan Committee determines satisfies the qualification requirements of Section 414(p) of the Code; provided, however, that unless the Plan Committee determines otherwise, a domestic relations order shall be qualified only if (i) a qualified domestic relations order also applies to the applicable Participant's benefit under the Avnet Pension Plan, and (ii) the domestic relations order for this Plan is consistent with the corresponding qualified domestic relations order for the Avnet Pension Plan.

(2) The Company and each Employer may reduce benefits under the Plan to the extent that they determine is necessary or appropriate to recover a debt owed by the Participant or Beneficiary to the Company or an Affiliate, or to remedy any injury caused by the Participant or Beneficiary to the Company or an Affiliate. Any offset shall be applied in accordance with the applicable requirements of Section 409A of the Code.

(b) A Beneficiary who is entitled to receive a benefit under the Plan may disclaim his right to such benefit by filing a disclaimer that satisfies the requirements to be a “qualified disclaimer” under Section 2518 of the Code no later than nine months after the death of the Participant. If the Plan Committee receives a qualified disclaimer (as defined in Section 2518 of the Code) from any Beneficiary, the Participant's Beneficiary under the Plan shall be determined as if the disclaiming Beneficiary had predeceased the Participant.

Withholding

All amounts payable under this Plan are subject to withholding for all federal, state, and local taxes, and all other amounts relating to tax or other payroll deductions, as the Company may reasonably determine should be withheld. Regardless of the amount withheld, the Participant shall be solely responsible for paying all required taxes (other than the employer's share of employment taxes) on all payments and other compensation (including imputed compensation) and benefits provided under this Plan.

Payment Satisfies Claims
Any payment to a Participant or the Participant's Beneficiary in accordance with the provisions of the Plan shall be, to the extent thereof, in full satisfaction of all claims against the Plan Committee, the Company, the Employer, and the Affiliates (including, in each case, claims unrelated to this Plan). As a condition precedent to any payment, the Plan Committee may require the recipient to execute a receipt and release to such effect.

Payment to Minors and Incompetents
If any person is a minor or unable to care for his affairs because of illness or accident, unless a duly qualified guardian or other legal representative has been appointed, any payment due under the Plan to that person may be paid, for the benefit of such person, to his spouse, parent, brother, sister, or other person deemed by the Plan Committee to have incurred expenses for such person. Such payment, to the extent thereof, shall discharge all liability for such payment under the Plan.

Doubt as to Identity or Whereabouts
(a) If, after reasonable efforts, the Plan Committee is unable to determine the whereabouts of any person entitled to payment hereunder, the required payment to such person shall be deemed made at the Payment Date, and the Plan Committee shall take (or cause to be taken) all steps that it determines to be reasonably appropriate to avoid a violation of Section 409A of the Code (*e.g.*, withholding income taxes at the time of each deemed payment, and depositing the amount withheld with the Internal Revenue Service). For purposes of the preceding sentence, notice by registered mail sent to such person's most recent address (as reflected in the Plan records) shall be deemed to constitute reasonable efforts to locate such person. Subject to the requirements of Section 409A of the Code, if such person subsequently makes a proper claim to the Company for such sum, the Company may in its discretion pay to such person the net amount (after withholding) of the deemed payment described in this Section 6.06.

(b) If a payment is made to a Participant or Beneficiary as provided under the Plan, the payment is not returned as being undeliverable, and the check on which the payment is made is not presented for payment before the check expires, then the amount of the check may be forfeited. However, if such Participant or Beneficiary subsequently makes a proper claim for the amount of the uncashed benefit check, the Company may in its discretion issue a replacement check (net of withholding).

Discretion to Accelerate Payment
The Plan Committee shall have discretion to accelerate payments of benefits under the Plan to the extent (and only to the extent) permitted by Treas. Reg. § 1.409A-3(j)(4).

Overpayments
If any overpayment of benefits is made under the Plan, the recipient of the overpayment shall be required to return the overpaid amount plus reasonable interest. To the extent that the Company is unable to recover the overpayment, any future benefit payments shall be reduced until the overpayment and reasonable interest are recovered; provided that any offset shall be applied in accordance with the applicable requirements of Section 409A of the Code. The foregoing remedy is not intended to be exclusive.

Article 7
Amendment and Termination

Amendment and Termination

(a) The Company may amend, modify, suspend, or terminate the Plan in whole or in part by resolution of the Board. Any such resolution may designate authority to the Plan Committee or an officer of the Company to adopt amendments that are consistent with the Board's resolution. Except to the extent required by law or to effectuate the intent that this Plan not provide benefits other than as required to restore amounts that cannot accrue under the Avnet Pension Plan by reason of the Qualified Plan Limits, no amendment, modification, suspension, or termination shall have any retroactive effect to reduce the balance of a Participant's Restoration Account.

(b) The Plan Committee is authorized to adopt any amendment that it determines is necessary or appropriate to comply with an applicable law or to improve administration of the Plan; provided that no such amendment shall cause a material increase in the Company's cost of providing benefits under the Plan.

Vesting and Payment Upon Termination

If the Plan is terminated, the Plan benefit of each Participant who is employed by the Company or an Affiliate on the termination date shall be fully vested. The Plan Committee shall have discretion to liquidate all remaining benefits in accordance with the applicable provisions of Treas. Reg. § 1.409A-3(j)(4)(ix).

Article 8
Miscellaneous

Plan Not a Contract of Employment
The Plan does not constitute a contract of employment and participation in the Plan does not give any Participant the right to be retained in the employ of, or in a particular position with, an Employer or Affiliate or a right or claim to any benefit under the Plan, except to the extent such right or claim has accrued and is nonforfeitable under the terms of the Plan.

Governing Law
This Plan shall be construed, governed, and administered in accordance with the laws of the State of Arizona, without regard to its conflict of law provisions and except to the extent that its laws are preempted by the laws of the United States of America.

Section 409A of the Internal Revenue Code

(a) Intent to Comply With Section 409A. This Plan shall be construed and interpreted consistent with the intent to comply with the requirements of Section 409A of the Code such that there are no adverse tax consequences, interest, or penalties as a result of any amount paid or payable under this Plan. Any ambiguity or inconsistency in the provisions of this Plan shall be resolved consistent with such intent.

(b) No Liability. The Company makes no representation or warranty regarding the Plan's compliance with the requirements of Section 409A of the Code, either in form or in operation. None of the Company, its Affiliates, or any of its representatives, agents, or advisers shall be responsible for any tax imposed on any individual under Section 409A of the Code or any other tax law in connection with benefits accrued or payable under the Plan.

Severability
If any provision of this Plan is held to be invalid or unenforceable by a court of competent jurisdiction, such holding shall not impact the validity or enforceability of the remaining provisions of the Plan; provided, however, that if the Plan's status as an unfunded plan maintained for a select group of management or highly compensated employees is invalidated, the entire Plan shall be invalidated.

Successors
The terms and conditions of the Plan and any Trust shall be binding on the Employers and their successors and assigns.

Complete Statement of Plan
This instrument contains a document is a complete statement of the terms of the Plan and may be modified, suspended, revoked, or terminated only as provided in Article 7. An individual's right to any benefit under the Plan shall be determined in accordance with the terms of this instrument, as amended (and not any other document, arrangement, or understanding); provided, however, that this instrument shall be applied and interpreted without regard to any scrivener's error (as described in the next following sentence) in this instrument or any other document of the Plan. The determination of whether a scrivener's error has occurred shall be made by the General Counsel of the Company in the exercise of his best judgment and sole discretion, based on his understanding of the intent of the Company as the settlor of the Plan, and taking into account such evidence, written or oral, as he deems appropriate or helpful. The

General Counsel of the Company is authorized to correct any scrivener's error that he discovers in this instrument or in any other document of the Plan. No person other than the Board, the Plan Committee, or a person to whom the Plan Committee has delegated interpretive authority shall have any authority to interpret this instrument or any other document of the Plan.

Privilege

The Company, Board, and Plan Committee may engage attorneys, accountants, actuaries, consultants, and other service providers to advise them on issues related to the Plan and their responsibilities hereunder. When they do so, the adviser's client is the Company, Board, or Plan Committee, as applicable, and not any Eligible Employee, Participant, or Beneficiary. The Company, Board, and Plan Committee shall be entitled to preserve the attorney-client privilege and any other privilege accorded to communications with a service provider, and all other rights to maintain confidentiality, to the full extent permitted by law. No Eligible Employee, Participant, or Beneficiary shall be permitted to review any communication between the Company, Board, or Plan Committee (including any of their representatives, agents or delegates) and any of their attorneys or other service providers with respect to whom a privilege applies, unless mandated by a court order.

Exhibit 12.1

Avnet, Inc.

Computation of Ratios of Earnings to Fixed Charges

	June 29, 2013	June 30, 2012	July 2, 2011	July 3, 2010	June 27, 2009
			(in thousands)		
Earnings:					
Income (loss) from continuing operations before tax	549,265	790,782	870,966	585,083	(1,094,968)
Add fixed charges	141,989	124,521	123,982	85,561	103,304
Total Earnings (loss)	691,254	915,303	994,948	670,644	(991,664)
Fixed charges:					
Interest on indebtedness	107,653	90,859	92,452	61,748	78,666
Amortization of debt expense	2,974	2,787	2,629	2,317	3,177
Interest component of rent expense	31,362	30,875	28,901	21,496	21,461
Total fixed charges	141,989	124,521	123,982	85,561	103,304
	4.9	7.4	8.0	7.8	*

* Earnings were deficient in covering fixed charges by $1.09 billion for the fiscal year ended June 27, 2009.

Exhibit 21

Avnet, Inc.

Foreign and Domestic Subsidiaries

Company Name	Jurisdiction
Abacus Group Limited	England
Alpha 3 Manufacturing Ltd	England
Ascendant Software Technology (India) Private Limited	India
Ascendant Technology B.V.	Netherlands
Ascendant Technology d.o.o. Beograd	Serbia
Ascendant Technology Do Brasil Serviços Em Tecnologia Da Informação Ltda.	Brazil
Ascendant Technology Holdings UK Limited	England
Ascendant Technology Limited	England
Avnet (Asia Pacific Holdings) Limited	Hong Kong
Avnet (Australia) Pty. Ltd.	Australia
Avnet (Holdings) Ltd	United Kingdom
Avnet (NZ)	New Zealand
Avnet (Shanghai) Limited	China
Avnet (Tianjin) Logistics Ltd.	China
Avnet Abacus Limited	Hong Kong
Avnet AG	Switzerland
Avnet Asia Pte Ltd	Singapore
Avnet ASIC Israel Ltd	Israel
Avnet Australia No. 2 Pty Ltd	Australia
Avnet B.V.	Netherlands
Avnet Beteiligungs-Verwaltungs GmbH	Germany
Avnet Chile S.A.	Chile
Avnet Components Brasil Participações Ltda.	Brazil
Avnet Components Israel Limited	Israel
Avnet Computer Service (Hong Kong) Limited	Hong Kong
Avnet Computer Service (Macau) Limited	Macao
Avnet de Mexico, S.A. de C.V.	Mexico
Avnet de Puerto Rico, Inc.	Puerto Rico
Avnet Delaware Holdings, Inc.	Delaware
Avnet Delaware LLC	Delaware
Avnet do Brasil LTDA	Brazil
Avnet Electronics Marketing (Australia) Pty Ltd	Australia
Avnet EM	Russian Federation
Avnet EM Holdings Japan Kabushiki Kaisha	Japan
Avnet EM Japan (Asia) Limited	Singapore
Avnet EM Sp. z.o.o.	Poland
Avnet Embedded Industria e Comercio Ltda	Brazil
Avnet EMG AG	Switzerland
Avnet EMG Elektronische Bauelemente GmbH	Austria

Avnet EMG France	France
Avnet EMG GmbH	Germany
Avnet EMG Italy S.r.l.	Italy
Avnet EMG Ltd	United Kingdom
Avnet Erste Vermoegensverwaltungs GmbH & Co. KG	Germany
Avnet Europe Comm. VA	Belgium
Avnet Finance B.V.	Netherlands
Avnet France S.A.S.	France
Avnet Holding Anonim Sirketi	Turkey
Avnet Holding B.V.	Netherlands
Avnet Holding Europe BVBA	Belgium
Avnet Holding Germany GmbH	Germany
Avnet Holding South Africa (Pty) Limited	South Africa
Avnet Holdings (Australia) Pty. Limited	Australia
Avnet Holdings UK Limited	United Kingdom
Avnet Holdings, LLC	Delaware
Avnet Iberia S.A.	Spain
Avnet India Private Limited	India
Avnet Integrated, Inc.	New York
Avnet International (Canada) Ltd.	Canada
Avnet International, LLC	Delaware
Avnet Italy Srl	Italy
Avnet Japan Co., Ltd.	Japan
Avnet Kopp (Pty) Limited	South Africa
Avnet Korea, Inc.	Korea, Republic of
Avnet Limited	Ireland
Avnet Logistics (Shenzhen) Ltd.	China
Avnet Logistics B.V.B.A.	Belgium
Avnet Logistics do Brasil Ltda.	Brazil
Avnet Logistics GmbH	Germany
Avnet Logistics Limited	England
Avnet Logistics Pte. Ltd.	Singapore
Avnet Malaysia Sdn Bhd	Malaysia
Avnet Nortec A/S	Denmark
Avnet Nortec AB	Sweden
Avnet Nortec AS	Norway
Avnet Nortec Oy	Finland
Avnet Pacific Pty Limited	Australia
Avnet Partner Solutions (Malaysia) Sdn. Bhd.	Malaysia
Avnet Partner Solutions, S. de R.L. de C.V.	Mexico
Avnet Philippines Pty Ltd., Inc.	Philippines
Avnet Receivables Corporation	Delaware
Avnet S.r.l.	Italy
Avnet s.r.o	Czech Republic
Avnet Solutions Pte. Ltd.	Singapore
Avnet Solutions Sdn. Bhd	Malaysia

Avnet Sp. z.o.o.	Poland
Avnet Sunrise Limited	Hong Kong
Avnet Technology (Thailand) Ltd.	Thailand
Avnet Technology Electronics Marketing (Taiwan) Co., Ltd.	Taiwan
Avnet Technology Hong Kong Limited	Hong Kong
Avnet Technology Solutions (ASEAN) Pte. Ltd.	Singapore
Avnet Technology Solutions (Australia) Limited	Australia
Avnet Technology Solutions (China) Ltd	China
Avnet Technology Solutions (India) Private Limited	India
Avnet Technology Solutions (Malaysia) Sdn. Bhd.	Malaysia
Avnet Technology Solutions (Singapore) Pte. Ltd.	Singapore
Avnet Technology Solutions (Thailand) Ltd.	Thailand
Avnet Technology Solutions (Tianjin) Ltd	China
Avnet Technology Solutions (Vietnam) Company Limited	Vietnam
Avnet Technology Solutions A/S	Denmark
Avnet Technology Solutions Argentina S.A.	Argentina
Avnet Technology Solutions B.V.	Netherlands
Avnet Technology Solutions Brasil S.A.	Brazil
Avnet Technology Solutions Chile, S.A.	Chile
Avnet Technology Solutions Colombia S.A.S.	Colombia
Avnet Technology Solutions Ecuador, S.A.	Ecuador
Avnet Technology Solutions GmbH	Germany
Avnet Technology Solutions Handelsgesellschaft m.b.H.	Austria
Avnet Technology Solutions Kft	Hungary
Avnet Technology Solutions Limited	United Kingdom
Avnet Technology Solutions S.R.L.	Romania
Avnet Technology Solutions s.r.o.	Slovakia
Avnet Technology Solutions Sanayi Ve Ticaret Anonim Sirketi	Turkey
Avnet Technology Solutions SAS	France
Avnet Technology Solutions Venezuela, C.A.	Venezuela, Bolivarian Republic
Avnet Trader S.A.	Chile
Avnet TS Ireland Limited	Ireland
Avnet TS Italy S.r.l.	Italy
Avnet TS Services Limited	United Kingdom
Avnet TS Spain, S.L.	Spain
Avnet Unidux (HK) Limited	Hong Kong
Avnet Unidux (Malaysia) Sdn. Bhd.	Malaysia
Avnet Unidux (Singapore) Pte. Ltd.	Singapore
Avnet Unidux (Thailand) Company Limited	Thailand
Avnet Verwaltungs GmbH	Germany
Beijing Vanda Yunda IT Services Co., Ltd	China
Bell Microproducts Brazil Holdings, LLC	Minnesota
Bell Microproducts GmbH	Germany
Bell Microproducts Mexico Shareholder, LLC	Florida
BFI-IBEXSA International LLC	Delaware
BrightStar Partners, Inc.	Illinois

BSP Software LLC	Illinois
CAMP Marketing-Service GmbH	Germany
Canvas Systems B.V.	Netherlands
Canvas Systems UK Limited	England and Wales
Canvas Systems, LLC	Georgia
Chinatronic Technology Limited	Hong Kong
Client Solutions Limited	Ireland
CM Satellite Systems, Inc.	New York
Dritte TENVA Property GmbH Nettetal	Germany
DSP Solutions Limited	Hong Kong
Eastele Technology China Limited	Hong Kong
EBV Beteiligungs-Verwaltungs GmbH	Germany
EBV Elektronik ApS	Denmark
EBV Elektronik d.o.o.	Serbia
EBV Elektronik France SAS	France
EBV Elektronik GmbH & Co. KG	Germany
EBV Elektronik International GmbH	Germany
EBV Elektronik Kft	Hungary
EBV Elektronik Limited	Hong Kong
EBV Elektronik M	Russian Federation
EBV Elektronik OÜ	Estonia
EBV Elektronik S.r.l.	Italy
EBV Elektronik S.R.L.	Romania
EBV Elektronik s.r.o.	Slovakia
EBV Elektronik SAS	France
EBV Elektronik sp. z o.o.	Poland
EBV Elektronik Spain S.L.	Spain
EBV Elektronik spol. s r.o.	Czech Republic
EBV Elektronik Ticaret Limited Sirketi	Turkey
EBV Elektronik TOV	Ukraine
EBV Elektronik, Druzba Za Posredovanje D.O.O.	Slovenia
EBV Elektronik, Unipessoal Lda,	Portugal
EBV Management GmbH	Germany
EBV-Elektronik GmbH	Austria
Electrolink (PTY) Ltd	South Africa
Electron House (Overseas) Limited	United Kingdom
Enlaces Computacionales, S. de R.L. de C.V.	Mexico
Erste TENVA Property GmbH Gruber Straße	Germany
Flint Distribution Holdings Limited	England and Wales
Flint Distribution Limited	England
G2 Holdings Corp.	California
Genilogix LLC	Delaware
Hirel Co., Ltd	Japan
Horizon Technology Group Limited	Ireland
Import Holdings LLC	California
Instituto de Educacion Avanzada, S. de R.L. de C.V.	Mexico

Interactive Technology Limited	Virgin Islands, British
Internix Hong Kong Limited	Hong Kong
Internix Incorporated	Japan
Internix Thai Limited	Thailand
J.C. Tally Trading Co., Ltd.	Taiwan
Kent One Corporation	Delaware
Magirus Aktiengesellschaft	Germany
Magirus Austria GesmbH	Austria
Magirus France	France
Magirus International GmbH	Germany
Magirus Middle East FZ-LLC	United Arab Emirates
Magirus Nederland BV	Netherlands
Magirus Systems Integration	France
Magirus UK Ltd	England and Wales
Memec (Asia Pacific) Limited	Hong Kong
Memec Group Holdings Limited	United Kingdom
Memec Group Limited	United Kingdom
Memec Holdings Limited	United Kingdom
Memec Pty Limited	Australia
Mexico Holdings LLC	California
PDSI B.V.	Netherlands
PDSI Singapore Pte. Ltd.	Singapore
Pepperweed Consulting Corporation	Delaware
Pepperweed Consulting, LLC	Indiana
Pride Well Limited	Virgin Islands, British
Procurement Hub Pte Ltd	Singapore
PT Avnet Datamation Solutions	Indonesia
ROUND2 INC.	Delaware
Round2 Technologies, Incorporated	Texas
RTI Holdings Limited	Hong Kong
RTI Technology China Limited	Hong Kong
SEC International Holding Company, L.L.C.	New Hampshire
Shanghai FR International Trading Co., Ltd.	China
Société Civile Immobilière du 22 rue de Dames	France
Soluciones Mercantiles, S. de R.L. de C.V.	Mexico
Source Electronics (HK) Limited	Hong Kong
Source Electronics Asia Limited	Hong Kong
Tekdata Interconnections Limited	England and Wales
Telmil Electronics, Inc.	Delaware
Tenva Belgium Comm. VA	Belgium
Tenva Financial Management B.V.B.A.	Belgium
Tenva TS Holdings Limited	United Kingdom
Thomas Kaubisch GmbH	Germany
TSSLink, Inc.	California
Unidux Inc.	Japan
Vanda Computer & Equipment Company Limited	Hong Kong

Vanda Computer System Integration (Shanghai) Company Limited	China
Vanda IT Solutions & Systems Management Limited	Virgin Islands, British
WBT Systems Limited	Ireland
WBT Systems, Inc.	Delaware
Wiseasia Computer Service (Macau) Company Limited	Macao
WiseAsia.com Limited	Hong Kong
YEL Electronics (China) Limited	Hong Kong
YEL Electronics (Shanghai) Limited	China
YEL Electronics (Shenzhen) Ltd	China
YEL Electronics Hong Kong Limited	Hong Kong
YEL Electronics Pte Ltd	Singapore
YEL Electronics Sdn Bhd	Malaysia
ZWEITE TENVA Property GmbH Im Technologiepark	Germany

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Avnet, Inc.:

We consent to the incorporation by reference in the registration statements No. 333-184871 on Form S-3 and Nos. 33-64765, 333-17271, 333-45267, 333-45735, 333-55806, 333-112057, 333-112062, 333-112063, 333-140903, 333-171291 and 333-177787 on Form S-8 of Avnet, Inc. of our report dated August 9, 2013, with respect to the consolidated balance sheets of Avnet, Inc. and subsidiaries as of June 29, 2013 and June 30, 2012, and related consolidated statements of operations, shareholders' equity, and cash flows for each of the years in the three-year period ended June 29, 2013, the related financial statement schedule, and the effectiveness of internal control over financial reporting as of June 29, 2013 which report appears in the June 29, 2013 annual report on Form 10-K of Avnet, Inc.

/s/ KPMG LLP

Phoenix, Arizona
August 9, 2013

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Richard Hamada, certify that:

1. I have reviewed this annual report on Form 10-K of Avnet, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as such term is defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2013

/s/ RICHARD HAMADA

Richard Hamada

Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Kevin Moriarty, certify that:

1. I have reviewed this annual report on Form 10-K of Avnet, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as such term is defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2013

/s/ KEVIN MORIARTY

Kevin Moriarty

Chief Financial Officer

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Annual Report on Form 10-K for the year ended June 29, 2013 (the “Report”), I, Richard Hamada, Chief Executive Officer of Avnet, Inc., (the “Company”) hereby certify that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 9, 2013

/s/ RICHARD HAMADA

Richard Hamada
Chief Executive Officer

Exhibit 32.2

Certification Pursuant to 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Annual Report on Form 10-K for the year ended June 29, 2013 (the "Report"), I, Kevin Moriarty, Chief Financial Officer of Avnet, Inc., (the "Company") hereby certify that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 9, 2013

/s/ KEVIN MORIARTY

Kevin Moriarty
Chief Financial Officer