

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): October 25, 2001

AVNET, INC.

(Exact name of Registrant as Specified in its Charter)

New York
(State or Other Jurisdiction
of Incorporation)

1-4224
(Commission
File Number)

11-1890605
(I.R.S. Employer
Identification No.)

2211 South 47th Street, Phoenix, Arizona
(Address of Principal Executive Offices)

85034
(Zip Code)

Registrant's Telephone Number, Including Area Code — (480) 643-2000

Not Applicable
(Former Name or Former Address if Changed Since Last Report)

Item 7. Financial Statements and Exhibits.

- (a) Inapplicable
- (b) Inapplicable.
- (c) Exhibits:

99. Press Release of Avnet, Inc. dated October 25, 2001

Item 9. Regulation F-D Disclosure.

The press release of Avnet, Inc. issued on October 25, 2001 is being filed as Exhibit 99 hereto.

Management of Avnet, Inc. may, from time to time, comment on expectations concerning Avnet's future financial performance during discussions with investors, the media, investment analysts, and others. To the extent management's expectations differ during those discussions from the comments made by management in Avnet's conference calls, such new expectations will be posted on the Investor Relations home page of Avnet's web site.

No other item of this report form is presently applicable to the Registrant.

S I G N A T U R E

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

AVNET, INC.
(Registrant)

Date: October 25, 2001

By: /s/ Raymond Sadowski

Raymond Sadowski
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number

Description of Exhibit

99

Press Release of Avnet, Inc. dated October 25, 2001



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

PRESS RELEASE

October 25, 2001

Avnet Reports First Quarter Fiscal Year 2002 Results

Phoenix, Arizona — Avnet, Inc. (NYSE:AVT) reported results today for its first quarter ended September 28, 2001. Sales for the first quarter of fiscal 2002 were \$2.20 billion as compared with \$3.19 billion in the first quarter of last year. The Company reported a net loss of \$19.2 million, or \$0.16 per share on a diluted basis, for the first quarter of fiscal 2002, as compared with net income from continuing operations of \$82.4 million, or \$0.68 per share on a diluted basis, in the first quarter of fiscal 2001. Including income from discontinued operations, last year's first quarter net income was \$85.1 million, or \$0.70 per share on a diluted basis. The current quarter results take into account the positive impact related to the discontinuance of amortization of goodwill pursuant to recent changes in U.S. generally accepted accounting principles (GAAP) amounting to approximately \$0.08 per share.

Roy Vallee, Avnet's Chairman and CEO stated, "We are obviously disappointed with our absolute results for the quarter, which reflect the extremely difficult environment in which we are operating. Although our two computer businesses, Computer Marketing (CM) and Applied Computing (AC), have been negatively impacted by the business environment, it is our Electronics Marketing (EM) business that has been most severely affected by this downturn." Mr. Vallee continued, "EM's sales for the first quarter of fiscal 2002 were down 44% as compared with the year ago first quarter, and on a sequential basis, its sales were down 20% as compared with the fourth quarter of fiscal 2001. CM's sales in the current quarter were down 8% and AC's sales were up 8% as compared with the fourth quarter of fiscal 2001."

Mr. Vallee added, "I am pleased with the way our team has responded to the things we can affect. Our first quarter of fiscal 2002 results reflect a reduction in excess of \$190 million of annualized operating expenses, as compared with the run rate of expenses at the end of the December 2000 quarter. And, as we previously reported, we have reduced expenses by approximately another \$40 million on an annualized basis as a result of actions which were taken at the end of September 2001." Mr. Vallee went on to say, "We have also worked hard to reduce our debt and working capital in response to the business environment. Since the end of December 2000, excluding the impact of our accounts receivable securitization program, we have reduced debt by over \$1.0 billion driven primarily by a reduction in working capital."

Mr. Vallee further commented, "The tragic events of September 11th did not have a meaningful impact on our first quarter results and, based upon what we have seen so far, we don't expect a meaningful impact on our second quarter results. Short term, we expect the December 2001 quarter to be beneficially impacted by the typical seasonality which should drive sales growth at CM and AC, offset somewhat by slightly lower top line

expectations for EM. Coupled with the significant cost reductions we have made, we continue to anticipate sequential earnings growth in our second quarter and are comfortable with consensus estimates of a loss of approximately \$0.08 per share for that quarter.” Mr. Vallee concluded by stating, “Long term, Avnet is well positioned for growth as the global economy and the technology industry we serve recover. As a result of the actions we have taken, Avnet now has more earnings leverage than at any other time in its history.”

As required by the recent changes in GAAP related to accounting for goodwill, the Company is currently evaluating the book value of its goodwill and the associated one-time charge related to the change in accounting principle, the amount of which cannot yet be estimated. The Company expects to complete its evaluation of goodwill by the end of its second quarter of fiscal 2002 and will restate its first quarter of fiscal 2002 results to include this one-time charge related to the change in accounting principle. The impact of this restatement will be to reduce the book value of goodwill with the offset being recorded as a charge to the income statement in a special category entitled ‘cumulative effect of change in accounting principle’. In addition, as required by GAAP, all prior year financial statements have been restated to include the results of Kent Electronics, the June 8, 2001 acquisition of which was accounted for as a pooling-of-interests.

Forward Looking Statements

This press release contains certain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based on management’s current expectations and are subject to uncertainty and changes in the forward-looking statements. The forward-looking statements herein include statements addressing future financial and operating results of Avnet.

The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: changes in business conditions and the economy in general, changes in market demand and pricing pressures, allocations of products by suppliers, failure to obtain and retain expected synergies from newly acquired businesses, and other competitive and/or regulatory factors affecting the businesses of Avnet generally.

More detailed information about these and other factors is set forth in Avnet’s filings with the Securities and Exchange Commission, including the Annual Report on Form 10-K for fiscal 2001. Avnet is under no obligation to (and expressly disclaims any such obligation to) update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information

Phoenix, Arizona-based Avnet, Inc., a Fortune 500 company, is one of the world’s largest distributors of semiconductors, interconnect, passive and electromechanical components, enterprise network and computer equipment, and embedded sub-systems from leading manufacturers. Serving customers in 63 countries, Avnet markets, inventories and adds value to these products and provides world-class supply-chain management and engineering services. Avnet’s Web site is located at www.avnet.com.

AVNET, INC.
(MILLIONS EXCEPT PER SHARE DATA)

	FIRST QUARTERS ENDED			
	SEPTEMBER 28, 2001	SEPTEMBER 29, 2000	%	CHANGE
Sales	\$2,201.2	\$3,188.6		(31%)
Income (loss) from continuing operations before income taxes	(33.9)	141.5		(124%)
Net income (loss) from continuing operations	(19.2)	82.4		(123%)
Income from discontinued operations, net of income taxes	—	2.7		(100%)
Net income (loss)	(19.2)	85.1		(123%)
Earnings (loss) per share from continuing operations:				
Basic	(\$0.16)	\$ 0.70		(123%)
Diluted	(\$0.16)	\$ 0.68		(124%)
Net earnings (loss) per share:				
Basic	(\$0.16)	\$ 0.73		(122%)
Diluted	(\$0.16)	\$ 0.70		(123%)

AVNET, INC.
CONSOLIDATED STATEMENTS OF INCOME
(THOUSANDS EXCEPT PER SHARE DATA)

	FIRST QUARTERS ENDED	
	SEPTEMBER 28, 2001	SEPTEMBER 29, 2000
Sales	\$2,201,195	\$3,188,591
Cost of sales	1,890,633	2,701,018
Gross profit	310,562	487,573
Operating expenses	306,937	308,562
Operating income	3,625	179,011
Other income, net	594	251
Interest expense	(38,071)	(37,802)
Income (loss) from continuing operations before income taxes	(33,852)	141,460
Income taxes	(14,645)	59,095
Net income (loss) from continuing operations	(19,207)	82,365
Income from discontinued operations, net of income taxes	—	2,771
Net income (loss)	(\$19,207)	\$ 85,136
Earnings (loss) per share from continuing operations:		
Basic	(\$0.16)	\$ 0.70
Diluted	(\$0.16)	\$ 0.68
Net earnings (loss) per share:		
Basic	(\$0.16)	\$ 0.73
Diluted	(\$0.16)	\$ 0.70
Shares used to compute earnings per share:		
Basic	117,851	116,976
Diluted	117,851	123,010

AVNET, INC.
CONSOLIDATED BALANCE
SHEETS
(THOUSANDS)

	SEPTEMBER 28, 2001	JUNE 29, 2001
Assets:		
Current assets:		
Cash and cash equivalents	\$ 103,115	\$ 97,279
Receivables	1,413,883	1,629,566
Inventories	1,782,248	1,917,044
Other	101,817	103,600
	3,401,063	3,747,489
Total current assets	3,401,063	3,747,489
Property, plant & equipment	416,716	417,159
Goodwill	1,426,888	1,404,863
Other assets	301,310	294,637
	5,545,977	5,864,148
Total assets	5,545,977	5,864,148
Less liabilities:		
Current liabilities:		
Borrowings due within one year	1,024,673	1,302,129
Accounts payable	828,999	853,196
Accrued expenses and other	370,845	414,740
	2,224,517	2,570,065
Total current liabilities	2,224,517	2,570,065
Long-term debt, less due within one year	919,142	919,493
	3,143,659	3,489,558
Total liabilities	3,143,659	3,489,558
Shareholders' equity	\$2,402,318	\$2,374,590

AVNET, INC.
SEGMENT INFORMATION
(MILLIONS)

SALES	FIRST QUARTERS ENDED	
	SEPTEMBER 28, 2001	SEPTEMBER 29, 2000
Electronics Marketing	\$1,237.6	\$2,226.9
Computer Marketing	572.0	688.2
Applied Computing	391.6	273.5
	_____	_____
Consolidated	\$2,201.2	\$3,188.6
	_____	_____
 OPERATING INCOME		
Electronics Marketing	(\$5.0)	\$ 173.5
Computer Marketing	10.8	19.7
Applied Computing	14.5	11.1
Corporate	(16.7)	(25.3)
	_____	_____
Consolidated	\$ 3.6	\$ 179.0
	_____	_____