

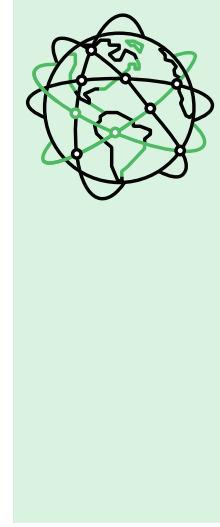
Avnet Reports First Quarter Fiscal 2019 Results



Key Results and Updates on Strategic Initiatives

Avnet is a global technology solutions company with an extensive ecosystem delivering design, product, marketing and supply chain solutions for customers at every stage of the product lifecycle. We transform ideas into intelligent solutions, reducing the time, cost and complexities of bringing products to market.

GLOBAL HIGHLIGHTS



We began our new fiscal year with continued positive momentum, realizing growth in both revenue and operating margins in our major business segments.

REVENUE
\$5BN ↗
 (Up 9.2% YoY)

ADJUSTED DILUTED EPS*
\$1.03 ↗
 (Increased 36% YoY)

ADJUSTED OPERATING INCOME*
\$183M ↗
 (Up 34% YoY)

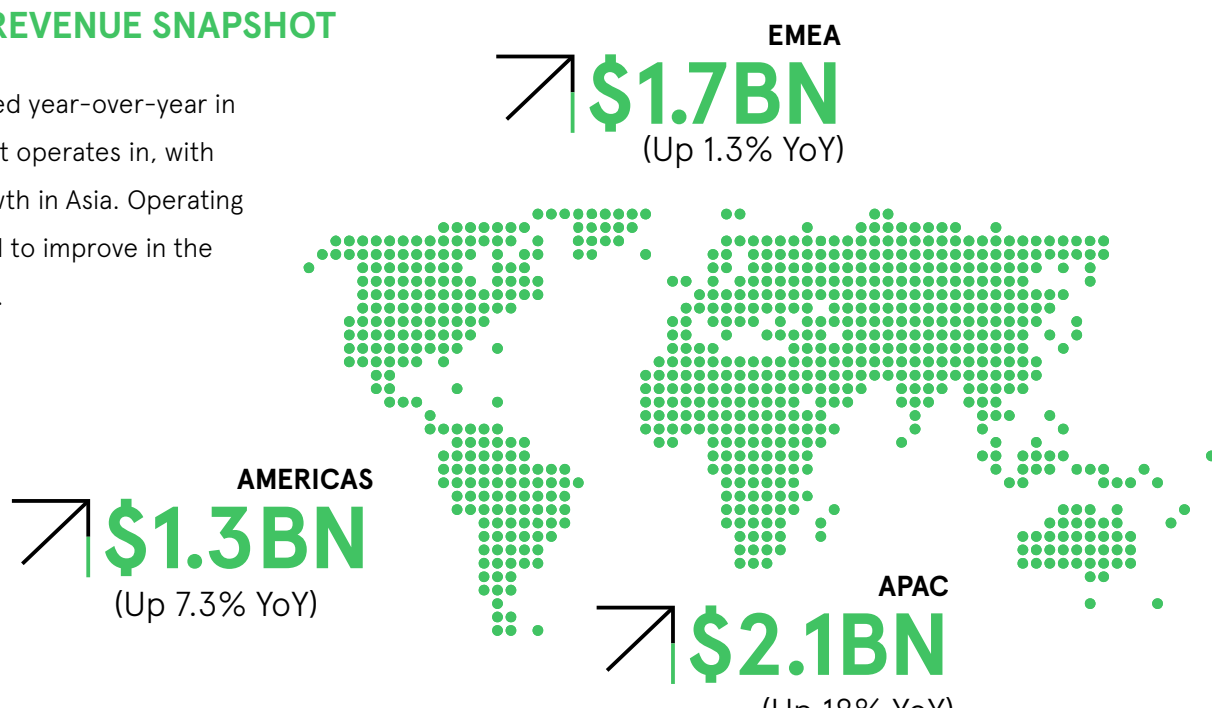
Adjusted Operating Margin
3.6% ↗
 (Up 66 bps YoY)

CASH
 Cash and cash equivalents
\$366M

Returned
\$180M
 Via share repurchases and dividends

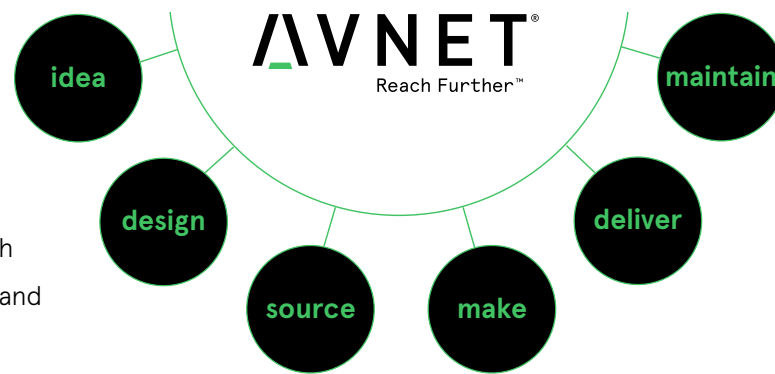
REGIONAL REVENUE SNAPSHOT

Revenue increased year-over-year in each region Avnet operates in, with double-digit growth in Asia. Operating margin continued to improve in the Americas, as well.



THE AVNET ECOSYSTEM

Avnet's unique technology development ecosystem gives companies access to the expertise and resources they need to bring important innovations to market easier, faster and more cost-efficiently—with one single technology solutions partner to guide R&D and the go-to-market process.

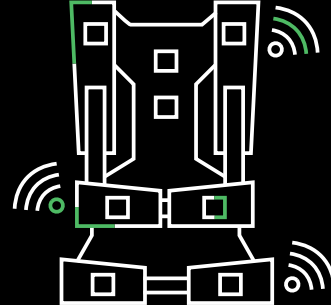


Our latest innovation is one of the most sophisticated wearables on the market, **Music: Not Impossible**. It's the brainchild of technology incubator and R&D lab, Not Impossible Labs, and Avnet is helping with design, sourcing materials and establishing a network for production.

A "surround body" music experience for everyone

Music: Not Impossible allows deaf concertgoers to literally feel live music because it sends advanced vibration technology to different parts of the body. We revealed Music: Not Impossible at a first-of-its kind concert in September.

[See the reaction](#) ▶



Peek inside one of the most sophisticated wearables

This wireless wearable system creates zero-latency vibrations in perfect synchronization with live music. Artists can emphasize different elements of the music to mix a unique experience for each show and each person can adjust their own vibration levels.

[See how we created it](#) ▶

Reaching further for change

Music: Not Impossible is a key part of our partnership with Not Impossible Labs to create technology that enhances accessibility and inclusivity for people living with some of today's most pervasive and challenging health conditions.

[See what else we're working on](#) ▶

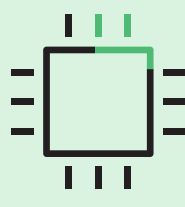
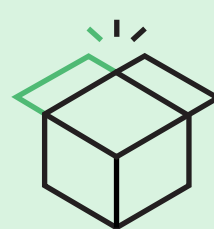


TRANSFORMATION & GROWTH

We realized both efficiencies and growth through our transformation initiatives this past quarter as we continued to focus on cost management, new opportunities with non-traditional customers and digitizing our business.

EXPANDING DISTRIBUTION IN ASIA

We opened a new distribution center in Hong Kong in order to continue to improve upon our operating efficiencies over the long term. [LEARN MORE](#) ▶

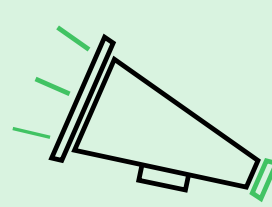


DEEPENING OUR RELATIONSHIP WITH MICROCHIP

Avnet was named a global distribution partner for Microsemi, a leading provider of semiconductor solutions differentiated by power, security, reliability and performance. Microchip completed its acquisition of Microsemi earlier this year. [LEARN MORE](#) ▶

STRENGTHENING OUR LEADERSHIP

We named Jo Ann Jenkins, CEO of AARP, to Avnet's Board of Directors. In addition to contributing to our transformation and growth strategies, she will serve on the audit and corporate governance committees. [LEARN MORE](#) ▶



HELPING CUSTOMERS REACH FURTHER

Product developers all over the world get work done faster and more effectively using Avnet's communities, where they can access consolidated information on new technologies as well as experts. We're constantly adding resources to our library of more than 50K technical resources, as well as holding educational in-person and virtual events.



The Hackster team joined ARM on the road to inspire developers to innovate

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The co-founder of Arduino held a 5-part webinar series on element14

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Avnet held several workshop series with suppliers such as NXP and Xilinx

[LEARN MORE](#) ▶



Guiding today's ideas into tomorrow's technology
 Avnet helps you reach further

avnet.com

*Non-GAAP Financial Information

In addition to disclosing financial results that are determined in accordance with generally accepted accounting principles in the United States ("GAAP"), the Company also discloses certain non-GAAP financial information including (i) adjusted operating income, (ii) adjusted operating expenses, (iii) adjusted other earnings (per share), (iv) adjusted income tax expense, (v) adjusted income from continuing operations, (vi) adjusted diluted earnings per share, and (vii) sales adjusted for the impact of acquisitions and other. See additional discussion, definitions and reconciliations of Non-GAAP measures including Organic Sales included as Exhibit 99.1 to the Current Report on Form 8-K filed with the Securities Exchange Commission on October 25, 2018, which can be found on the Company's website at www.ir.avnet.com. These measures should always be considered in conjunction with the appropriate GAAP measure.

Management believes that operating income and operating expenses adjusted for restructuring, integration and other expenses, goodwill impairment expense and amortization of acquired intangible assets and other, are useful measures to help investors better assess and understand the Company's operating performance. This is especially the case when management views the excluded items to be outside of Avnet's normal operating results or non-cash in nature. Management analyzes operating income and operating expenses without the impact of these items as well as other income (expense) excluding certain amounts as an indicator of ongoing margin performance and underlying trends in the business. Management also uses these non-GAAP measures to establish operational goals and, in many cases, for measuring performance for compensation purposes.

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

Management also believes income tax expense, income from continuing operations and diluted earnings per share from continuing operations adjusted for the impact of the items described above and certain items impacting income tax expense are helpful to investors because they provide a more meaningful basis for forecasting future performance. Additionally, because of management's focus on generating shareholder value, of which net profitability is a primary driver, management believes income from continuing operations and diluted earnings per share from continuing operations excluding the impact of these items provides an important measure of the Company's net profitability for the investing public.