

/ Avnet Fiscal Second Quarter 2022 Financial Results

January 26th, 2022



/ Safe Harbor Statement

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to the financial condition, results of operations and business of the Company. You can find many of these statements by looking for words like “believes,” “plans,” “projects,” “expects,” “anticipates,” “should,” “will,” “may,” “estimates” or similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties.

The following important factors, in addition to those discussed elsewhere in the Company's Annual Report on Form 10-K for the fiscal year ended July 3, 2021 and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, could affect the Company's future results of operations, and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements: the scope and duration of the COVID-19 pandemic and its impact on global economic systems, access to financial markets and the Company's employees, operations, customers, and supply chain; competitive pressures among distributors of electronic components; an industry down-cycle in semiconductors; relationships with key suppliers and allocations of products by suppliers; risks relating to the Company's international sales and operations, including risks relating to the ability to repatriate cash, foreign currency fluctuations, inflation, duties and taxes, and compliance with international and U.S. laws; risks relating to acquisitions, divestitures and investments; adverse effects on the Company's supply chain, operations of its distribution centers, shipping costs, third-party service providers, customers and suppliers, including as a result of issues caused by natural and weather-related disasters, pandemics and health related crisis, warehouse modernization and relocation efforts; risks related to cyber-attacks and the Company's information systems failures, including related to current or future implementations; general economic and business conditions (domestic, foreign and global) affecting the Company's operations and financial performance and, indirectly, the Company's credit ratings, debt covenant compliance, liquidity and access to financing; constraints on employee retention and hiring; geopolitical events; and legislative or regulatory changes affecting the Company's businesses.

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

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Executive Overview

Phil Gallagher
Chief Executive Officer

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/ Quarter Highlights

Driving sustainable growth and positioned to capture share across all regions and segments

- Durable changes to business and strong execution in the quarter yielded:
 - **\$5.9B** revenues
 - **25.6%** YoY sales growth
 - **\$1.51** adjusted diluted EPS ⁽¹⁾
 - **3.7%** adjusted operating margin ⁽¹⁾

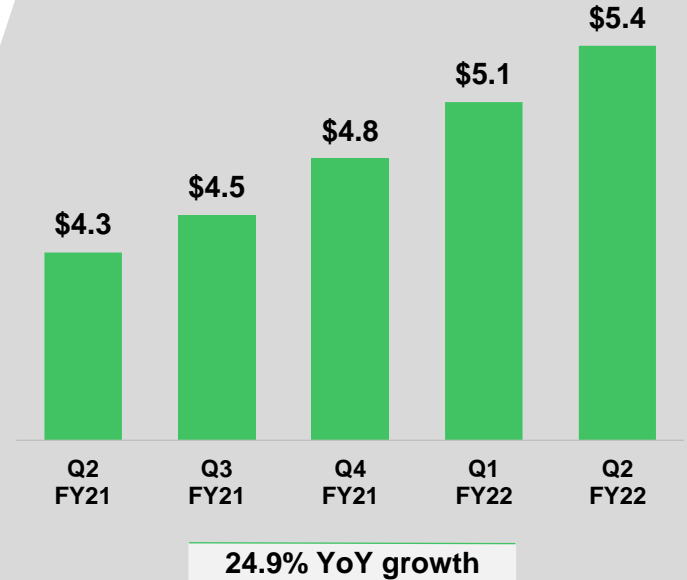
(1) Non-GAAP measure. See Non-GAAP Definitions section in the Appendix of this presentation.

/ Electronic Components

Strong execution contributing to growth across regions

- Revenues up QoQ and YoY driven by sequential growth across all three geographic regions
- Solid EMEA and Asia results coupled with double digit sales growth YoY in the Americas
 - Americas' performance driven by team's ability to maintain expense levels, while capturing new business
- Book-to-bill ratios remain strong and lead times remain extended
- Continued strong demand in Automotive, Industrial, Defense, Communications and Healthcare verticals
- Record demand creation sales and gross profit resulting from strong levels of design registrations and wins in prior quarters

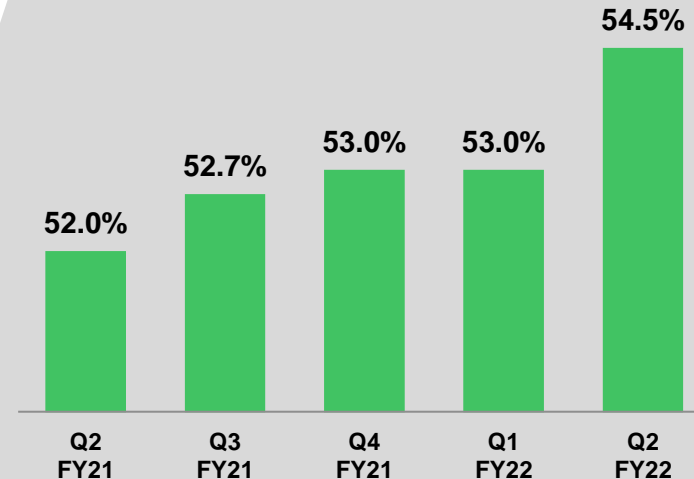
Steady EC Sales Growth (\$B)



Investments in business demonstrating notable return

- Sales increased 35.3% YoY to \$441 million, driven by notable performance from Farnell's Americas business
- Added over 22,000 SKUs in Q2; completing about 55% of our 250,000 SKU investment goal through FY22
- Continuing to invest in e-commerce capabilities
 - 54.5% of Farnell sales and 71.5% of transaction orders placed through e-commerce platform in the quarter
 - Expect investments to continue to drive increased traffic and new customer acquisitions in coming quarters

Sequential E-commerce Revenue Contribution



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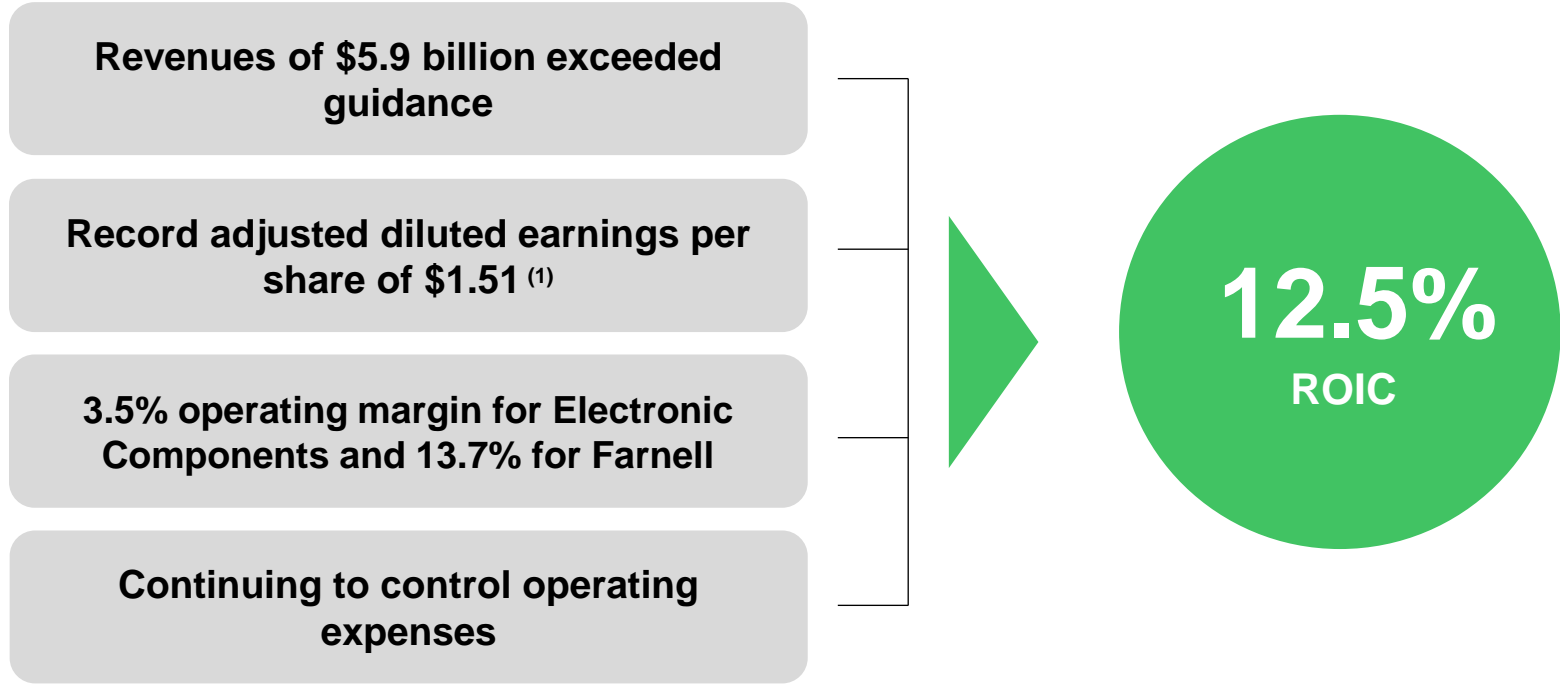
Financial Overview

Tom Liguori
Chief Financial Officer

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Strong Revenues and EPS

Driven by effective execution and resulting in an improved return on invested capital



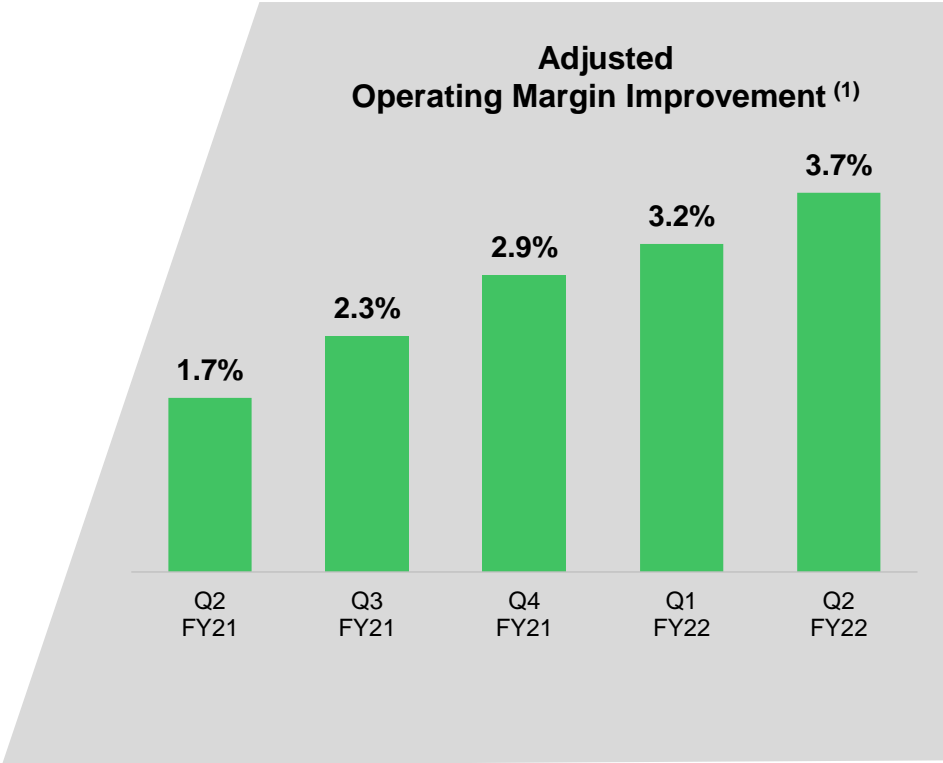
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Operating Margin Growth

6th consecutive quarter of adjusted operating margin improvement

Growth supported by:

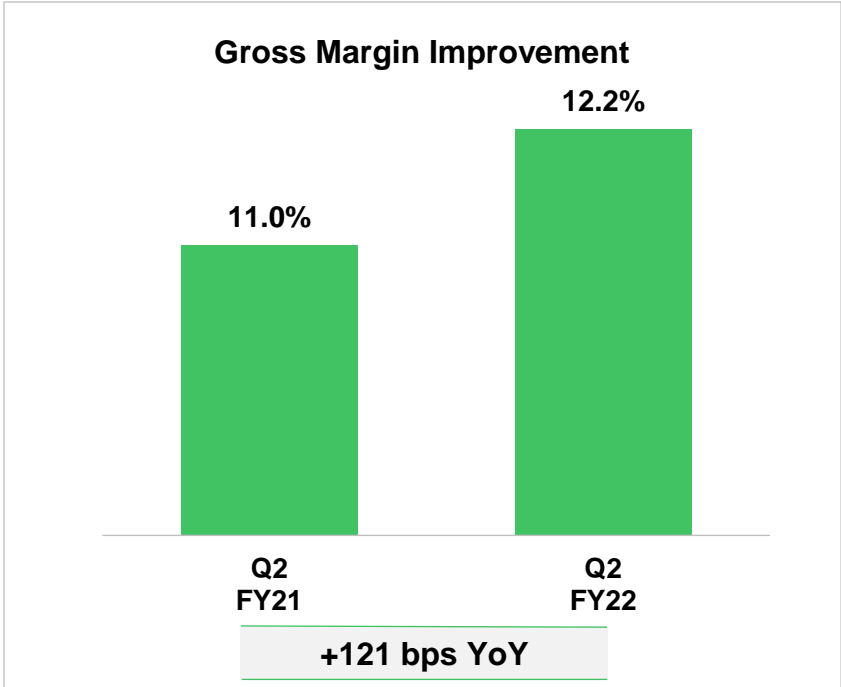
- Continued investment in Farnell as demonstrated by revenue growth of 35.3% YoY and operating margin expansion to 13.7%
- Strong Electronic Components business performance – revenues grew 24.9% YoY to \$5.4 billion and operating margins increased to 3.5%
- Expansion of e-commerce capabilities and value-add offerings like supply chain orchestration continue to generate returns



(1) Non-GAAP measure. See Non-GAAP Definitions section in the Appendix of this presentation.

/ Q2 FY22 Income Statement Snapshot

12.2%	Gross margin; up QoQ, primarily driven by sequential margin expansion at Farnell, as well as strong pricing in all businesses
\$498M	Adjusted operating expenses ⁽¹⁾ ; up by 3.5% over last quarter, primarily driven by costs associated with higher volume
\$21.6M	Interest expense
\$3.2M	Foreign currency transaction expense; a sequential improvement of \$2M
23%	Adjusted income tax rate ⁽¹⁾

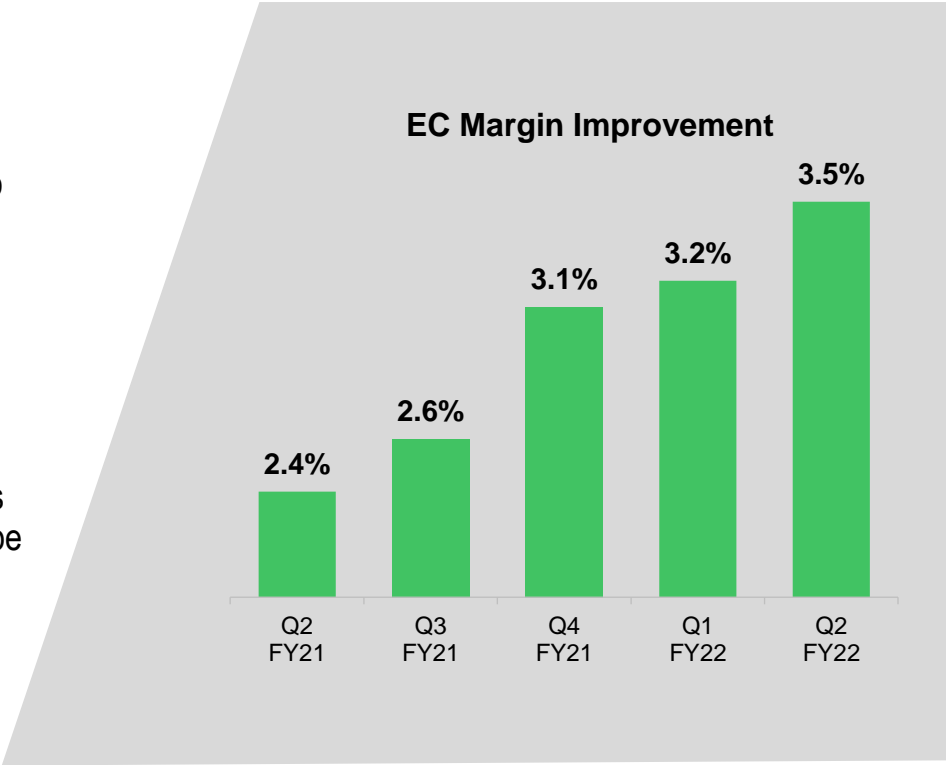


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/ Electronic Components

Leveraging deep relationships to drive growth

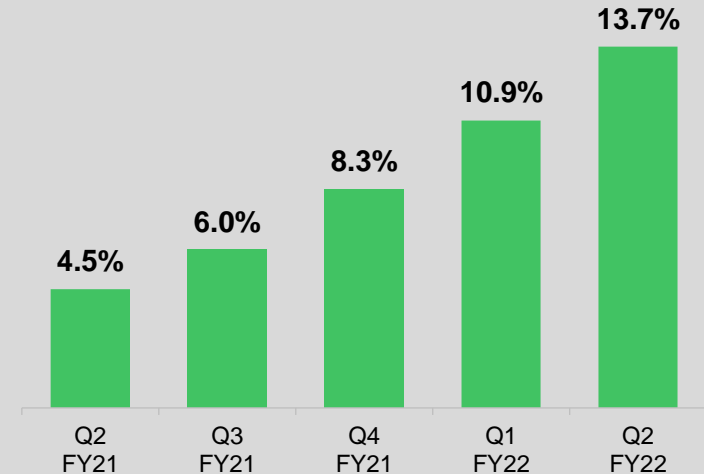
- Record revenues of **\$5.4B**, up 24.9% YoY and 5.8% QoQ
 - Driven by exceptional performance in Americas region, which grew sales double digits YoY and is positioned to sustain growth in 3Q22
 - Supported by seasonally strong quarters in EMEA and Asia
- Operating margin of **3.5%**, up 109 bps YoY and 31 bps QoQ
 - Driven by effective management of operating expenses while capturing sales opportunities and expanding scope of work with key customers



Investments in Farnell are yielding strong results

- Revenues of **\$441M**, up 35.3% YoY and down slightly QoQ
- Operating margin of **13.7%**, up 917 bps YoY and 276 bps QoQ
- Sustainable operating margins driven by continued investments in:
 - Breadth of SKUs,
 - E-commerce capabilities,
 - On-line engineering community, and
 - New product introductions

Farnell Margin Improvement



/ Liquidity & Balance Sheet

Aligned to compete favorably in current market conditions

- Cash outflow of \$232 million driven by:
 - Accounts receivable from higher sales
 - Investment in inventory that was secured late in the quarter
- Anticipate a positive cash flow in third quarter

\$168M

cash
balance

\$1.5B

available lines
of credit

1.9x

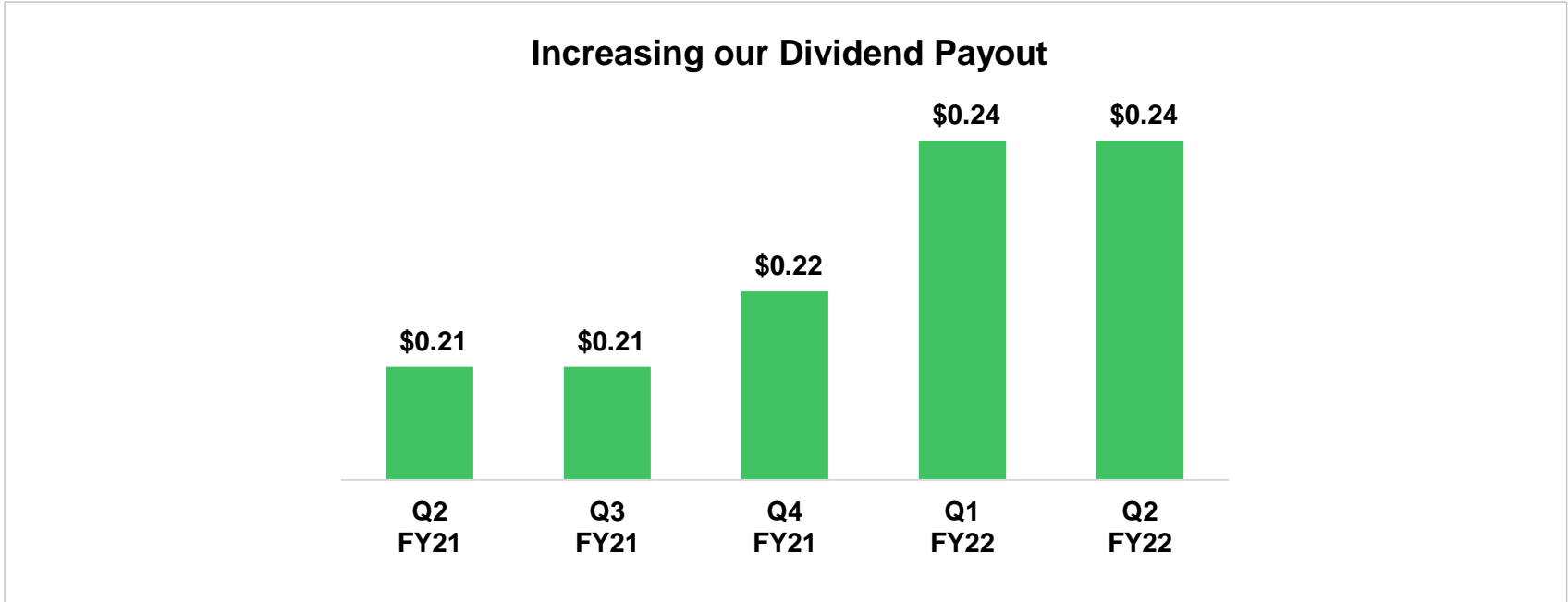
gross debt
leverage ratio

1.7x

net debt
leverage ratio

/ Shareholder Commitment

Remain committed to delivering a reliable and increasing dividend, opportunistic buybacks, and investments in both organic and inorganic growth



Outlook for Q3 FY 2022

(ending on April 2, 2022)

Metric	Guidance Range	Midpoint
Sales	\$5.4B – \$5.8B	\$5.6B
Non-GAAP Adjusted Diluted EPS ⁽¹⁾	\$1.45 – \$1.55	\$1.50

Factors impacting our Q3 FY 2022 outlook

- *Reflects current market conditions and inventory availability as well as traditional seasonality.*
- *Assumes COVID-19-related shutdowns and constraints remain same as today.*

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Q&A Session

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Thank You

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Non-GAAP Definitions

In addition to disclosing financial results that are determined in accordance with generally accepted accounting principles in the United States (“GAAP”), the Company also discloses certain non-GAAP financial information including (i) adjusted operating income, (ii) adjusted operating expenses, (iii) adjusted other income (expense), (iv) adjusted income tax expense, (v) adjusted income from continuing operations, (vi) adjusted diluted earnings per share from continuing operations, and (vii) sales adjusted for the impact of significant acquisitions and other items (as defined in the Organic Sales section of this document). See additional discussion, definitions and reconciliations of Non-GAAP measures included as Exhibit 99.1 to the Current Report on Form 8-K filed with the Securities Exchange Commission on January 26th, 2022, which can be found on the Company’s website at www.ir.avnet.com

There are also references to the impact of foreign currency in the discussion of the Company’s results of operations. When the U.S. Dollar strengthens and the stronger exchange rates of the current year are used to translate the results of operations of Avnet’s subsidiaries denominated in foreign currencies, the resulting impact is a decrease in U.S. Dollars of reported results. Conversely, when the U.S. Dollar weakens and the weaker exchange rates of the current year are used to translate the results of operations of Avnet’s subsidiaries denominated in foreign currencies, the resulting impact is an increase in U.S. Dollars of reported results. In the discussion of the Company’s results of operations, results excluding this impact are referred to as “constant currency.” Management believes organic sales and sales in constant currency are useful measures for evaluating current period performance as compared with prior periods and for understanding underlying trends. In order to determine the translation impact of changes in foreign currency exchange rates on sales, income or expense items for subsidiaries reporting in currencies other than the U.S. Dollar, the Company adjusts the average exchange rates used in current periods to be consistent with the average exchange rates in effect during the comparative period

Management believes that operating income and operating expenses adjusted for restructuring, integration and other expenses, goodwill and intangible asset impairment expenses and amortization of acquired intangible assets and other, are useful measures to help investors better assess and understand the Company’s operating performance. This is especially the case when comparing results with previous periods or forecasting performance for future periods, primarily because management views the excluded items to be outside of Avnet’s normal operating results or non-cash in nature. Management analyzes operating income and operating expenses without the impact of these items as an indicator of ongoing margin performance and underlying trends in the business. Management also uses these non-GAAP measures to establish operational goals and, in most cases, for measuring performance for compensation purposes. Management measures operating income for its reportable segments excluding restructuring, integration and other expenses, goodwill and intangible asset impairment expenses and amortization of acquired intangible assets and other. Additional non-GAAP metrics management uses is adjusted operating income margin, which is defined as adjusted operating income (as defined above) divided by sales

Management also believes income tax expense (benefit), income from continuing operations and diluted earnings (loss) per share from continuing operations adjusted for the impact of the items described above and certain items impacting other income (expense) and income tax expense (benefit) are useful to investors because they provide a measure of the Company’s net profitability on a more comparable basis to historical periods and provide a more meaningful basis for forecasting future performance. Adjustment to income tax expense (benefit) and the effective income tax rate include the effect of changes in tax laws including recent tax law changes in the U.S., certain changes in valuation allowances and unrecognized tax benefits, income tax audit settlements and adjustments to the adjusted interim effective tax rate based upon the expected annual adjusted effective tax rate. 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 (loss) 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