

AVX CORP
Form 11-K
March 27, 2007

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

FORM 11-K

**ANNUAL REPORT
Pursuant to Section 15(d) of the Securities Exchange Act of 1934
For The Year Ended December 31, 2006**

Commission file number: 1-10431

**AVX NONQUALIFIED
SUPPLEMENTAL RETIREMENT PLAN**

IRS Employer Identification Number: 33-0379007

**AVX CORPORATION
P.O. Box 867
Myrtle Beach, SC 29578**

**AVX NONQUALIFIED
SUPPLEMENTAL RETIREMENT PLAN
INDEX**

	Page No.
<u>Report of Independent Registered Public Accounting Firm</u>	2
<u>Report of Independent Registered Public Accounting Firm</u>	3
<u>Statement of Financial Condition with Fund Information as of December 31, 2006 and 2005</u>	4-5
<u>Statement of Income and Changes in Plan Equity with Fund Information for the years ended December 31, 2006, 2005 and 2004</u>	6-8
<u>Notes to Financial Statements</u>	9-13
<u>Signature</u>	14
<u>Schedule I - Investments</u>	15
Exhibit:	
<u>23.1 Consent of Grant Thornton LLP dated March 27, 2007</u>	16
<u>23.2 Consent of PricewaterhouseCoopers LLP dated March 27, 2007</u>	17

Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of the
AVX Nonqualified Supplemental Retirement Plan:

We have audited the accompanying statement of financial condition with fund information of the **AVX Nonqualified Supplemental Retirement Plan** (the Plan) as of December 31, 2006 and 2005, and the related statement of income and changes in plan equity with fund information for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes 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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2006 and 2005, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principals generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying AVX Nonqualified Supplemental Retirement Plan Schedule I - Investments as of December 31, 2006, is presented for purposes of additional analysis and is not a required part of the financial statements. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ GRANT THORNTON LLP

Columbia, South Carolina
March 27, 2007

Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of
AVX Nonqualified Supplemental Retirement Plan

In our opinion, the accompanying statement of income and changes in plan equity with fund information presents fairly, in all material respects, the income and changes in plan equity for the year ended December 31, 2004 of AVX Nonqualified Supplemental Retirement Plan (the "Plan") in conformity with accounting principles generally accepted in the United States of America. This financial statement is the responsibility of the Plan's management. Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit of this statement in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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. We believe that our audit provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Atlanta, Georgia
March 31, 2005

-3-

**AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN
STATEMENT OF FINANCIAL CONDITION WITH FUND INFORMATION
As of December 31, 2006**

Total	AVX Stock Fund	Kyocera Stock Fund	Seligman Large Cap Value Fund	T. Rowe Price Spectrum Income Fund	MainStay Cash Reserves Fund	Templeton Foreign Fund	MainStay S&P 500 Index Fund	Janus Balanced Fund	Janus Fund	Lord Abbett Mid Cap Value Fund	PIMCO Total Return Fund
\$5,839,909	\$24,248	\$22,957	\$897,913	\$700,232	\$2,702,188	\$267,198	\$303,293	\$254,469	\$219,465	\$305,819	\$142,127
1,029,621	1,029,621	---	---	---	---	---	---	---	---	---	---
872,703	---	872,703	---	---	---	---	---	---	---	---	---
7,742,233	1,053,869	895,660	897,913	700,232	2,702,188	267,198	303,293	254,469	219,465	305,819	142,127
92,268	9,354	6,480	12,463	---	30,556	---	5,127	7,115	7,036	2,822	5,705
\$7,834,501	\$1,063,223	\$902,140	\$910,376	\$700,232	\$2,732,744	\$267,198	\$308,420	\$261,584	\$226,501	\$308,641	\$147,832

The accompanying notes are an integral part of these financial statements.

**AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN
STATEMENT OF FINANCIAL CONDITION WITH FUND INFORMATION
As of December 31, 2005**

	AVX Stock Fund	Kyocera Stock Fund	Seligman Large Cap Value Fund	T. Rowe Price Spectrum Income Fund	MainStay Cash Reserves Fund	Templeton Foreign Fund	MainStay S&P 500 Index Fund	Janus Balanced Fund	Janus Fund	Lord Abbett Mid Cap Value Fund	PIM To Ret Fu	
Total												
ESTS:												
Investments												
Fair value:												
For												
Investments												
(75,931)	\$5,138,644	\$19,000	\$12,796	\$1,113,560	\$646,096	\$578,270	\$684,800	\$408,935	\$420,032	\$196,787	\$378,598	\$679
K												
Corporation												
Common												
Stock (cost												
3,314)	885,973	885,973	---	---	---	---	---	---	---	---	---	---
Kyocera												
Corporation												
American												
Investment												
Company												
Stocks (cost												
3,788)	606,442	---	606,442	---	---	---	---	---	---	---	---	---
Investments	6,631,059	904,973	619,238	1,113,560	646,096	578,270	684,800	408,935	420,032	196,787	378,598	679
Receivable:												
Employer												
Contribution	58,370	6,702	5,595	6,186	---	18,123	1,230	3,477	5,082	3,230	2,275	6
Equity	\$6,689,429	\$911,675	\$624,833	\$1,119,746	\$646,096	\$596,393	\$686,030	\$412,412	\$425,114	\$200,017	\$380,873	\$686

The accompanying notes are an integral part of these financial statements.

AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN
STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY WITH FUND INFORMATION
For the year ended December 31, 2006

	Total	AVX Stock Fund	Kyocera Stock Fund	Seligman Large Cap Value Fund	T. Rowe Price Spectrum Income Fund	MainStay Cash Reserves Fund	Templeton Foreign Fund	MainStay S&P 500 Index Fund	Janus Balanced Fund	Janus Fund
Net investment income (loss):										
Dividends	76,631	10,525	7,856	743	30,400	---	5,348	4,844	5,085	73
Interest	102,514	---	---	---	---	102,514	---	---	---	-
Net appreciation (depreciation) in fair value of investments	538,984	19,688	196,884	109,214	23,736	---	57,623	40,816	29,666	21,04
Total income (loss)	718,129	30,213	204,740	109,957	54,136	102,514	62,971	45,660	34,751	21,77
Contributions:										
Employer	207,777	77,171	16,330	18,822	---	43,536	1,302	8,604	12,197	10,43
Employee	623,923	89,707	80,819	61,749	---	272,844	17,007	24,373	17,508	23,22
Total contributions	831,700	166,878	97,149	80,571	---	316,380	18,309	32,977	29,705	33,66
Deductions:										
Benefit payments	(404,757)	(45,543)	(24,582)	---	---	---	(44,777)	(39,248)	(86,664)	(28,95
Income (loss) and change in plan equity	1,145,072	151,548	277,307	190,528	54,136	418,894	36,503	39,389	(22,208)	26,48
Transfer of funds from employee investment elections, net	---	---	---	(399,898)	---	1,717,457	(455,335)	(143,381)	(141,322)	-
Plan equity at beginning of year	6,689,429	911,675	624,833	1,119,746	646,096	596,393	686,030	412,412	425,114	200,01
Plan equity at end of year	\$7,834,501	\$1,063,223	\$902,140	\$910,376	\$700,232	\$2,732,744	\$267,198	\$308,420	\$261,584	\$226,50

The accompanying notes are an integral part of these financial statements.

-6-

AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN
STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY WITH FUND INFORMATION
For the year ended December 31, 2005

	Total	AVX Stock Fund	Kyocera Stock Fund	Seligman Large Cap Value Fund	T. Rowe Price Spectrum Income Fund	Vanguard Treasury Money Market Fund	MainStay Cash Reserves Fund	Templeton Foreign Fund	Vanguard 500 Index Fund	MainStay S&P 500 Index Fund
Net investment income (loss):										
Dividends	\$95,933	\$ 9,315	\$ 7,025	\$ 70	\$ 26,530	\$ ---	\$ ---	\$ 10,703	\$ 3,362	\$ 6,282
Interest	16,402	---	---	---	---	9,184	7,218	---	---	---
Net appreciation (depreciation) in fair value of investments	324,235	144,682	(30,789)	101,759	(13,240)	---	---	54,286	3,880	4,479
Total income (loss)	436,570	153,997	(23,764)	101,829	13,290	9,184	7,218	64,989	7,242	10,761
Contributions:										
Employer	120,878	42,965	9,605	8,455	---	6,731	18,428	1,875	3,356	3,597
Employee	486,258	72,228	63,019	48,238	---	71,595	21,659	12,327	40,784	13,156
Total contributions	607,136	115,193	72,624	56,693	---	78,326	40,087	14,202	44,140	16,753
Deductions:										
Benefit payments	(791,698)	(93,475)	(20,142)	(15,639)	(1,914)	(102,673)	---	(70,852)	(121,775)	---
Income (loss) and change in plan equity	252,008	175,715	28,718	142,883	11,376	(15,163)	47,305	8,339	(70,393)	27,514
Transfer of funds from employee investment elections, net	---	1,990	(91)	33,950	(4)	(542,848)	549,088	(36,154)	(399,022)	384,898
Transfer of funds from AVX SERP Plan	3,757,246	255,540	403,137	532,931	301,380	381,383	---	467,346	302,620	---
Plan equity at beginning of year	2,680,175	478,430	193,069	409,982	333,344	176,628	---	246,499	166,795	---
	\$6,689,429	\$911,675	\$624,833	\$1,119,746	\$646,096	\$ ---	\$596,393	\$686,030	\$ ---	\$412,412

Plan equity at
end of year

The accompanying notes are an integral part of these financial statements.

-7-

AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN
STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY WITH FUND INFORMATION
For the year ended December 31, 2004

	Total	AVX Stock Fund	Kyocera Stock Fund	Seligman Equity Value Portfolio	T. Rowe Price Spectrum Income Fund	Vanguard Treasury Money Market Fund	Templeton Foreign Equity Fund	Vanguard 500 Index Fund	Janus Balanced Fund	Janus Janus Fund
Net investment income (loss):										
Dividends	\$37,777	\$6,109	\$1,271	\$2,091	\$13,140	\$ ---	\$5,218	\$3,463	\$2,006	\$ ---
Interest	2,148	---	---	---	---	2,148	---	---	---	---
Net appreciation (depreciation) in fair value of investments	(21,223)	(201,338)	22,224	58,274	11,726	(309)	33,193	12,793	5,995	448
Total income (loss)	18,702	(195,229)	23,495	60,365	24,866	1,839	38,411	16,256	8,001	448
Contributions:										
Employer	113,632	26,098	12,310	13,243	---	20,377	3,330	11,110	11,329	2,396
Employee	8,756	8,756	---	---	---	---	---	---	---	---
Total contributions	122,388	34,854	12,310	13,243	---	20,377	3,330	11,110	11,329	2,396
Deductions:										
Benefit payments	(286,221)	(59,692)	(155)	(13,106)	---	(41,333)	(16,409)	(53,743)	(14,446)	(78,393)
Income (loss) and change in plan equity	(145,131)	(220,067)	35,650	60,502	24,866	(19,117)	25,332	(26,377)	4,884	(75,549)
Transfer of funds from employee investment elections, net	---	---	---	(36,783)	---	---	881	---	---	(216,624)
Plan equity at beginning of year	2,825,306	698,497	157,381	386,301	308,478	195,745	220,286	193,172	98,405	376,281
Plan equity at end of year	\$2,680,175	\$478,430	\$193,031	\$410,020	\$333,344	\$176,628	\$246,499	\$166,795	\$103,289	\$84,108

The accompanying notes are an integral part of these financial statements.

-8-

**AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS**

1. Description of Plan

The following brief description of the AVX Nonqualified Supplemental Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan was established August 1, 1994 to provide certain officers and highly compensated managers of AVX Corporation, ("AVX") or (the "Company") with supplemental retirement benefits. Effective January 1, 2005, the AVX Corporation SERP Plan, that was established January 1, 1998, was merged into the Plan. All balances from the SERP Plan were transferred into the Plan. Any employee eligible to participate in the AVX Corporation Retirement Plan is eligible to participate in the SERP portion of the plan and any employee eligible to participate in the AVX Corporation Retirement plan whose annual compensation is in excess of \$220,000 (as such limit is defined by the Internal Revenue Code) is eligible to participate in the Supplemental Retirement portion of the Plan. An employee who, in prior years, becomes an eligible participant in the Plan shall continue to be eligible to fully participate in the Plan regardless of whether such employee's annual compensation falls below the annual compensation limit for the year. The Company is the Plan's sponsor and Plan administrator. New York Life Investment Management, LLC (the "Trustee") is the Plan's trustee and record keeper.

Deferred Compensation Contribution

The Plan is split into two parts. There is a SERP portion and a Supplemental Retirement portion. The SERP portion allows each participant to irrevocably elect to defer receipt of all or a portion of eligible compensation for that year prior to January 1 of each year. The Supplemental Retirement portion allows participants to defer an amount from 1% to 3% of eligible compensation (currently between \$220,000 and \$600,000). Beginning January 1, 2001, eligible compensation for employee contributions to the supplemental portion is determined based on total compensation less any amount deferred under the SERP portion of the Plan.

Company Matching Contribution

The Company will match contributions equal to 100% of the first 3% of the amount that is deferred under the SERP portion of the Plan contingent upon the participant initially investing their deferral in the AVX Stock Fund. The Company will also match contributions equal to 100% of the first 3% of the amount deferred that is related to eligible compensation (currently between \$220,000 as indexed and \$600,000) in the Supplemental portion of the Plan. This match to the Supplemental portion of the plan shall be invested in the AVX Stock Fund.

Non-discretionary Contribution

The Company will make an annual contribution equal to 5% of eligible compensation.

Discretionary Contribution

The Company may make an annual contribution between 0% - 5% of eligible compensation. The contribution amount is subject to approval by the Company's Board of Directors.

Vesting

Each participant shall be fully vested and have a non-forfeitable interest in his account.

Payment of Benefits

Benefits under the Plan shall be payable to a participant or beneficiary upon the earlier of such participant's separation from service, disability, or death in a lump-sum payment or in installments over a period not to exceed 10 years.

2. Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting.

Contributions

Employer contributions under the non-discretionary contribution feature include amounts equal to the aggregate that would have been contributed based on a participant's eligible compensation under the non-discretionary contribution feature of the AVX Retirement Plan. The employer contributions associated with the discretionary contribution feature of the Plan are not readily determinable until after the Company's fiscal year ended March 31 and are included in the Plan in the year paid.

Payment of Benefits

Benefits are recorded when paid.

Investment Valuation and Income Recognition

Investments in securities traded on a national securities exchange are valued at the closing sales price on the last business day of the plan year. Plan investments in any investment companies, unit investment trusts or similar investment funds are valued daily at their closing net asset values (or unit value) per share. Temporary cash investments in money market funds are valued at par, which represents market value as determined by the Trustee. For purposes of determining realized gains and losses, the Plan uses the average cost method to determine the cost basis of disposed assets. Net appreciation (depreciation) in fair value of investments on the Statement of Income and Changes in Plan Equity with Fund Information represents realized gains (losses) and the cumulative change in unrealized appreciation (depreciation) for the respective years.

Administrative Expenses

Administrative expenses of the Plan are paid by the Company.

Use of Estimates

The preparation of the Plan's financial statements in conformity with generally accepted accounting principles requires the plan administrator to make significant estimates and assumptions that affect the reported amounts of plan equity at the date of the financial statements and the changes of plan equity during the reporting period and, when applicable, disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Dividend and Interest Income Recognition

Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date.

3. Investment Programs

As of December 31, 2006, the investment alternatives include the following:

MainStay Cash Reserves Fund: The MainStay Cash Reserves Fund, a money market fund, seeks a high level of current income while preserving capital and maintaining liquidity. The Fund invests in short-term dollar denominated securities. This fund had eleven participants at December 31, 2006 and ten participants at December 31, 2005.

T. Rowe Price Spectrum Income Fund: The T. Rowe Price Spectrum Income Fund, a mutual fund, seeks a high level of current income consistent with moderate share price fluctuation by investing primarily in domestic bond funds and also in a foreign bond fund. This fund had four participants at December 31, 2006 and 2005. This fund is no longer an investment alternative for future contributions.

Seligman Large Cap Value Fund: The Seligman Equity Value Portfolio, a mutual fund, seeks capital appreciation through a value-oriented, diversified portfolio comprised of high-quality stocks. This fund had seven participants at December 31, 2006 and eight participants at December 31, 2005.

Kyocera Stock Fund: This fund is primarily invested in shares of the Kyocera Corporation. The objective is to give participants the opportunity to share in the success and growth of Kyocera and AVX by allowing participants to become part owners. The fund's value will fluctuate, based on the success of Kyocera, AVX and the stock market in general. This fund had four participants at December 31, 2006 and 2005.

Templeton Foreign Fund: The Templeton Foreign Fund, a mutual fund, seeks long-term capital growth by investing in stocks and debt obligations of companies and governments outside the United States. This fund had seven participants at December 31, 2006 and eight participants at December 31, 2005.

AVX Stock Fund: This fund is primarily invested in shares of AVX stock. This fund also gives participants the opportunity to share in the success and growth of AVX. The fund's value will fluctuate, based on the success of AVX and the stock market in general. This fund had eleven participants at December 31, 2006 and 2005.

Janus Balanced Fund: The Janus Balanced Fund, a mutual fund, seeks long-term growth of capital balanced by current income by normally investing 40% to 60% of assets in securities selected for their growth potential and 40% to 60% of assets in securities selected for their income potential. This fund had seven participants at December 31, 2006 and 2005.

Janus Fund: The Janus Fund, a mutual fund, seeks long-term growth of capital, consistent with preservation of capital, by investing primarily in common stock of companies of any size. This fund had six participants at December 31, 2006 and 2005.

MainStay S&P 500 Index Fund: The MainStay S&P 500 Index Fund, a mutual fund, seeks to provide investment results that correspond to the total return performance (reflecting reinvestment of dividends) of common stocks in the aggregate, as represented by the S&P 500 Index. This fund had six participants at December 31, 2006 and ten participants at December 31, 2005.

Lord Abbett Mid Cap Value Fund: The Lord Abbett Mid Cap Value Fund, a mutual fund, seeks capital appreciation. Under normal circumstances, the Fund invests at least 65% of its total assets in middle capitalization companies having an aggregate market value between \$200 million and \$5 billion. This fund had five participants at December 31, 2006 and four participants at December 31, 2005.

PIMCO Total Return Fund: The PIMCO Total Return Fund, a mutual fund, seeks maximum total return by investing primarily in fixed income securities of varying maturities. This fund had four participants at December 31, 2006 and five participants at December 31, 2005.

American Funds- EuroPacific Growth Fund: The American Funds-EuroPacific Growth Fund, a mutual fund, seeks long-term growth of capital. The fund normally invests at least 80% of assets in securities of issuers located in Europe and the Pacific Basin. The fund may also hold cash, money market instruments and fixed-income securities. This fund became available to participants in the Plan for investment on February 26, 2007.

The Plan's realized and unrealized gains (losses) for the years ended December 31 are as follows:

	2006	2005	2004
	\$	\$	
Proceeds	2,502,750	4,786,460	\$1,530,197
Aggregate cost	2,374,296	4,806,648	1,786,634
Realized gains (losses)	128,454	(20,188)	(256,437)
Unrealized appreciation	410,530	344,423	235,214
Net appreciation (depreciation) in fair value of investments	\$ 538,984	\$ 324,235	\$ (21,223)

The Plan's unrealized appreciation (depreciation) for investments at December 31 2006, 2005, and 2004 were \$873,556, \$463,02, and \$43,495, respectively.

4. Nonparticipant-Directed Investments:

Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments is as follows:

	December 31,	
	2006	2005
Net Assets:		
MainStay Cash	\$ 7,428	\$ 6,574
Reserves Fund		
AVX Corporation	315,416	276,097
Common Stock		
Total Assets	\$322,844	\$282,671
	Year Ended December 31, 2006	
Changes in Net Assets:	\$ 54,686	
Contributions		
Dividends	3,224	
	7,359	

Edgar Filing: AVX CORP - Form 11-K

Net	
appreciation	
Benefits	(25,096)
paid to	
participants	
Total	\$ 40,173

-12-

5. Plan Termination

Although the Company has not expressed any intent to do so, it has the right to terminate the Plan at any time. However, termination of the Plan shall not, without the consent of a participant, adversely affect such participant's rights with respect to amounts then accrued in his/her account.

6. Federal Income Taxes

The Plan is a grantor type trust and is not qualified under Section 401 of the Internal Revenue Code. Under Section 671 of the Internal Revenue Code, items of income, deduction or credit in a grantor trust are treated as belonging to the grantor. These items are reported on the income tax return of the grantor, AVX Corporation. Participants must include distributions in taxable income at the time of withdrawal.

7. Transactions with Related Parties

Amounts of American Depository Shares of Kyocera Corporation, the Company's majority shareholder, held by the Plan at December 31 are as follows:

	2006	2005
Shares	9,197	8,287
Market value per share	\$94.89	\$73.18
Market value	\$872,703	\$606,442

Amounts of AVX Corporation common stock held by the Plan at December 31 are as follows:

	2006	2005
Shares	69,616	61,186
Market value per share	\$14.79	\$14.48
Market value	\$1,029,621	\$885,973

8. Risks and Uncertainties

The Plan provides for various investment options in registered investment companies which invest in combinations of stocks, bonds, fixed income securities, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that such changes could materially affect participants' account balances and the amounts reported in the Statement of Financial Condition with Fund Information. The market value of the Plan's assets is included as an asset and a liability on the Company's balance sheet because the Plan's assets are available to AVX's general creditors in the event of the Company's insolvency.

9. Subsequent Event

The reported employer contribution receivable as of December 31, 2006 was subsequently received by the Plan on March 8, 2007.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrative Committee has duly caused this annual report to be signed by the undersigned thereunto duly authorized.

AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN

(Name of Plan)

BY: /s/ Kurt P. Cummings
Kurt P. Cummings
M e m b e r o f
A d m i n i s t r a t i v e
C o m m i t t e e

Date: March 27, 2007

AVX NONQUALIFIED SUPPLEMENTAL RETIREMENT PLAN
SCHEDULE I - INVESTMENTS
As of December 31, 2006

Description	Number of shares/units	Market Value	Percentage of Net Assets
MainStay Cash Reserves Fund	2,749,394	2,749,393	35.5%
AVX Stock	69,616	1,029,621	13.3%
Seligman Large Cap Value Fund	62,225	897,913	11.6%
Kyocera Stock	9,197	872,703	11.3%
T. Rowe Price Spectrum Income Fund	57,443	700,232	9.0%
Lord Abbett Mid Cap Value Fund	13,653	305,819	4.0%
MainStay S&P 500 Index Fund	9,278	303,293	3.9%
Templeton Foreign Fund	19,589	267,198	3.5%
Janus Balanced Fund	10,425	254,469	3.3%
Janus Fund	7,799	219,465	2.8%
PIMCO Total Return Fund	13,692	142,127	1.8%
Total Investments		\$7,742,233	