2013 Investor & Analyst Day
Mike McNamara, Chief Executive Officer
FLEXTRONICS PLATFORM

PHYSICAL INFRASTRUCTURE

100+ Sites
30+ Countries
200K People
Global Scale
1,000+ CUSTOMERS
100,000+ PRODUCTS
100+ Million UNITS
$100+ Billion VALUE OF GOODS PROCESSED
GLOBAL SCALE

HR

IT

FINANCE

CULTURE
FLEXTRONICS PLATFORM

END-TO-END SERVICES
- Innovation
- Engineering
- Logistics
- Supply Chain

PHYSICAL INFRASTRUCTURE
- 100+ Sites
- 30+ countries
- 200K people
- Global Scale
END-TO-END SERVICES

**INNOVATION**
- Product Innovation Centers
- Advanced Manufacturing
- 3D Printing Services

**ENGINEERING**
- Design Engineering
- Product Co-Innovation
- Engineering Automation

**LOGISTICS**
- Logistics Management
- Spare Parts Logistics
- Reverse Logistics
- Vendor Managed Inventory

**SUPPLY CHAIN**
- Optimization
- Regionalization
- Rationalization
SERVICES

END-TO-END PLATFORM
FLEXTRONICS PLATFORM

REAL-TIME INFORMATION
- Visibility
- Risk
- Execution
- Any app

END-TO-END SERVICES
- Innovation
- Engineering
- Logistics
- Supply Chain

PHYSICAL INFRASTRUCTURE
- 100+ Sites
- 30+ countries
- 200K people
- Global Scale
OTHER INDUSTRIES HAVE GONE
CLOUD, MOBILE & REAL-TIME
AND NOW, SO HAS SUPPLY CHAIN
FLEXTRONICS PLATFORM

REAL-TIME INFORMATION
- Visibility
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END-TO-END SERVICES
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PHYSICAL INFRASTRUCTURE
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SPEED
SCOPE
SCALE
LOOKING AHEAD
FLEXTRONICS PLATFORM

HOW ARE WE BUILDING IT?

PHYSICAL INFRASTRUCTURE

100+ Sites
30+ countries
200K people
Global Scale
FLEXTRONICS PLATFORM

REAL-TIME INFORMATION
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END-TO-END SERVICES
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PHYSICAL INFRASTRUCTURE
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MORE

PRODUCTIVE
FLEXTRONICS PLATFORM

REAL-TIME INFORMATION
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END-TO-END SERVICES
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PHYSICAL INFRASTRUCTURE
- 100+ Sites
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FLEXTRONICS PLATFORM END-TO-END SERVICES

BETTER SERVICES
FLEXTRONICS PLATFORM  REAL-TIME APPS

NEW

APPS
NEW FLEXTRONICS PLATFORM REAL-TIME APPS CLOUD
## Flextronics Platform

### Real-time Information
- **Visibility**
- **Risk**
- **Execution**
- **Any app**

### End-to-end Services
- **Innovation**
- **Engineering**
- **Logistics**
- **Supply Chain**

### Physical Infrastructure
- 100+ Sites
- 30+ countries
- 200K people
- Global Scale
THE WORLD IS CHANGING.
THE EVOLUTION OF THE SUPPLY CHAIN

1960s: Mass Production  
  e.g. Sears

1980s: Lean  
  e.g. Toyota

2000s: SCM 2.0  
  e.g. DELL

2010s: Virtual  
  e.g. Amazon
TOP 5 SUPPLY CHAIN TRENDS
#5: REGIONAL & LOCAL SOURCING

- Labor arbitrage in decline
- Regional sourcing expands as economies grow
- Supply ecosystems emerge

Made Locally
#4: VIRTUAL CONTROL TOWERS

- Virtual supply chains
  - No factories
  - Advanced cloud tools and “apps”

- Supply chain winners
  - Global footprint
  - Transparent
  - Reliable
  - Flexible
#3: SAFE, FAST, AND COST-EFFICIENT

- Modern supply chains are 3-D
- *Predictability* becomes a competitive advantage
- Supply chains break through barriers to become faster, more cost efficient and safer

Flextronics is the Supply Chain Risk Management Leader
#2: CSER BECOMES FUNDAMENTAL

CORPORATE SOCIAL ENVIRONMENTAL RESPONSIBILITY

- Optionalism disappears
- Policies expand globally
- Emerging country laws catch up
- Foreign corporations follow global norms

Flextronics is Recognized as a Leader Driving CSER
#1: “NON-ZERO” SUPPLY CHAINS WIN

• Win-Win trend continues
• Supply chain “ecosystems” focus on balance for success
• End-to-end supply chain solutions create new value for customers
• Supply chain becoming a magnet for top students

The Flextronics Platform Drives Trust, Transparency, and Reliability
<table>
<thead>
<tr>
<th>REAL-TIME INFORMATION</th>
<th>Visibility</th>
<th>Risk</th>
<th>Execution</th>
<th>Any app</th>
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<td>END-TO-END SERVICES</td>
<td>Product Innovation</td>
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<td>Logistics</td>
<td>Supply Chain</td>
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Not Being Part of the Flextronics Ecosystem is a Competitive Disadvantage
EXTREMELY BROAD MARKETS

Industrial Automation

Safety & Security

Building Automation

Self Service

Capital Equipment

Energy

Lifestyle & Appliances
REALIGNING FOR SALES GROWTH

INCREASED CUSTOMER FOCUS

ADDED STRATEGIC SALES RESOURCES AND DISCIPLINED EXECUTION PROCESS

DOUBLED DESIGN TEAM TO TRIPLE DESIGN ENGAGEMENTS

IMPLEMENTED AGGRESSIVE SALES APPROACH TO SELL FLEXTRONICS PLATFORM

Delivered 27 proactive transformational proposals in Q4’13
Return to growth in FY14 - 10%-15% growth in FY15
$50M+ WIN

Customer Impact

- Reduce inventory waste
- Maintain quality & reliability
- Increase access to engineering platform, technology & resources

Transforming customer process & improving inventory efficiency
Customer Impact

- Global fulfillment from N.A. and Asia
- Simplified supply chain
- Reduced operational costs
- Lead time reduction from 12 weeks to 4 weeks

$75M WIN

PRE-TRANSFORMATION
- 10 supply chain nodes
- Acquisition integration
- N.A. fulfilling global demand

REAL-TIME INFORMATION
- Visibility
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END-TO-END SERVICES
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PHYSICAL INFRASTRUCTURE
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Reduced supply chain & system integration centers from 10 to 2
TRANSFORMING A GLOBAL FLOOR CARE COMPANY SUPPLY CHAIN

$350M WIN
$350M WIN

Customer Impact
- Real-time information
- Flexibility
- Scalability
- Innovation
- Visibility
- Brand protection

PRE-TRANSFORMATION
- Lead-time: 35 weeks
- 5 EMS partners
- Commit Process: 14 days
- Limited visibility

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Leverages end-to-end Flextronics Platform
FUELING INDUSTRIAL GROWTH

OPERATIONAL EXCELLENCE DRIVING HIGH CUSTOMER SATISFACTION

INVESTMENT IN PRODUCT DESIGN FUELING NEW GROWTH OPPORTUNITIES

CREATING TRANSFORMATIONAL SALES USING THE FLEXTRONICS PLATFORM

CONVERTING OUR STRONG PIPELINE OF OPPORTUNITIES TO ACHIEVE 10% - 15% GROWTH AND OPERATING MARGINS BETWEEN 4% - 6%
1. GLOBAL AND REGIONAL SOLUTIONS

Enabling Global Brands to Regionalize

- Providing unique “customized” solutions to help customers grow in promising markets

Enabling Regional Brands to Globalize

- Providing complete supply chain solutions to help customers expand globally

Global Scale and Breadth of Services Support Core Business
We Now Support All Five in Very Diverse Ways
3. LEAD ACROSS KEY DIFFERENTIATORS

Co-Innovation

Automation

Material Science

Delivery Velocity

Product Innovation Centers
4. LEAD IN CRITICAL MARKETS

Connected Home

Wearable Electronics

Future Markets

Massive Growth Fueling New Opportunities, Brands and Products
Fundamentally changing the way businesses bring new ideas/products to market

Developing and Managing Supply Chains for the Future
FIVE OBJECTIVES DRIVE SOLID RESULTS

- Thoughtful expansion of new customers and markets
- Sustainable revenue growth
- Profits in 2%+ range for FY’14
- Ongoing innovation of services / solutions
- Delivering supply chain excellence across the entire portfolio
A Financial Strategy That Supports Our Platform

The Flextronics Platform

FINANCIAL PRINCIPLES
- Revenue Growth
- Operating Profit Expansion
- EPS Accretion
- Cash Flow Generation
- Capital Structure Strength

Committed to increasing shareholder value
Our execution was challenged by weak macro and customer demand softness

- Significant weakness in telecom and storage
- Accelerated exit of RIM
- Demand softness in consumer
- Weak demand in semi-cap
- Strong growth in appliances
- Strong growth in Medical/Auto
- Strategic acquisitions

FY13 Performance - Revenue

FY13 Actual: $23.6B
Target: $26-27B

Components

HRS

IEI

HVS

INS

• Strong growth in Medical/Auto
• Strategic acquisitions
• Weak demand in semi-cap
• Strong growth in appliances
• Significant weakness in Multek
• Power business program delays
• Demand softness in consumer
• Accelerated exit of RIM
FY13 Performance – Adjusted Operating Margin

- **Components**: 3.3% (May 2012 Target)
- **INS**: 2.6% (FY13 Actual)
- **HVS**: Performed to plan
- **IEI**: Strong operational execution despite sharp revenue reduction
- **HRS**: Stable margin while revenue under pressure
- **Multek factory under-absorption due to revenue reduction**
- **Factory under-absorption due to revenue reduction**

Missing our target is not acceptable.
Investing in the Platform for Growth

Focused and disciplined investment to optimize our Platform

- Incremental spend associated with acquisitions
- Boosting innovation and our supply chain solutions technologies
- Enhancing selling and business development capabilities
- Incremental corporate infrastructure

Stabilized at ~$215M quarterly run rate

SG&A* Expense Trend ($ Millions)

Q1’13: $182
Q2’13: $185
Q3’13: $200
Q4’13: $209
FY14E: ~$215

Quarterly run rate

*Adjusted SG&A includes Design and R&D expense but excludes stock compensation expense and restructuring charges
# Restructuring Program Update

<table>
<thead>
<tr>
<th>Charges ($ Millions)</th>
<th>FY'13</th>
<th>Q1'14E Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Charges</td>
<td>$123</td>
<td>~$30 - $35</td>
</tr>
<tr>
<td>Non-Cash Charges</td>
<td>104</td>
<td>~5</td>
</tr>
<tr>
<td>Total Charges</td>
<td>$227</td>
<td>~$35 - $40</td>
</tr>
</tbody>
</table>

**Program Update:**
- Slight expansion to ~$35 - $40M
- One additional factory closing and other rationalization efforts
- Accounting charges completed in Q1’14

**Program Benefits:**
- Estimated savings increased to ~$160M
- Cost reductions in headcount, depreciation and operating expense
- 95% of savings associated with cost of sales

**Savings Trajectory to ~$160M**
- Estimated quarterly savings

**Positioned for improved operational efficiency and profitability**
FY13 Year in Review

Despite some challenges this past year, we accomplished . . .

- Re-Positioned Power Business: Achieved record quarterly revenue of ~$350M at its target margin
- Exceptional bookings: Securing new business broadly distributed across our portfolio
- Strong Cash Flow: Generated over $1B in Operating Cash Flow, and over $680M in Free Cash Flow
- Executed Share Repurchases: Repurchased 52M shares; brings our total net buyback to 27% of shares outstanding since FY09
- Improved Capital Structure: $1B bond deal that extended our average debt maturity by ~3 years

Further strengthening our competitiveness
Balanced Portfolio Drives Optimal Shareholder Return

Diversification
Margins
Reduced Volatility
Working Capital
EPS Accretion

Low-Volume
High Mix

100%

60/40

70/30

HVS
100%

Revenue
OP
EPS
Revenue
OP
EPS
Revenue
OP
EPS

Flexible Portfolio Drives Optimal Shareholder Return

Optimal
Less
Optimal

Balance
Portfolio
Drives
Optimal
Shareholder
Return
FY14 Roadmap to Improved Performance
Our Platform Creates Significant Earnings Expansion

Revenue Growth

<table>
<thead>
<tr>
<th></th>
<th>March 2013</th>
<th>Restructuring</th>
<th>New Bookings Ramp</th>
<th>Muted Seasonality</th>
<th>Google/MOT</th>
<th>Other</th>
<th>Revenue Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$5.3B</td>
<td>-----</td>
<td>~$500M</td>
<td>~$350M</td>
<td>~$750M</td>
<td>-----</td>
<td>$6.9B</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>~$106M</td>
<td>~$30M²</td>
<td>~$23M</td>
<td>~$16M</td>
<td>~$15M</td>
<td>~$10M</td>
<td>~$200M</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>2.0%</td>
<td>-----</td>
<td>~4.5%</td>
<td>~4.5%</td>
<td>~2.0%</td>
<td>-----</td>
<td>~2.9%</td>
</tr>
<tr>
<td>EPS¹</td>
<td>13¢</td>
<td>4¢</td>
<td>3¢</td>
<td>2¢</td>
<td>2¢</td>
<td>1¢</td>
<td>25¢</td>
</tr>
</tbody>
</table>

Execution is paramount to achieve our desired results

1 Adjusted EPS is tax effected at 9% and assumes 650M shares outstanding
2 Adjusted operating profit reflects an estimated incremental $30M restructuring benefit achieved upon full savings run rate
Cash Flow Generation & Capital Structure
## Strong Capital Structure

<table>
<thead>
<tr>
<th>($ Millions)</th>
<th>Mar 31 2012</th>
<th>Mar 31 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$1,518</td>
<td>$1,587</td>
</tr>
<tr>
<td>Debt</td>
<td>2,189</td>
<td>2,068</td>
</tr>
<tr>
<td>Net Debt</td>
<td>671</td>
<td>481</td>
</tr>
<tr>
<td>Debt/EBITDA¹ (LTM)</td>
<td>1.9x</td>
<td>1.9x</td>
</tr>
<tr>
<td>Total Liquidity²</td>
<td>2,878</td>
<td>3,087</td>
</tr>
</tbody>
</table>

### Significant Debt Maturities ($ Millions)

Our capital structure is in excellent shape and positioned to support our growth.

1. **Debt/EBITDA**: total funded debt divided by LTM EBITDA
2. **Total liquidity**: cash at quarter-end plus unused revolver capacity
Fundamentally Structured for Cash Flow Generation

Free Cash Flow Generation

$3 Billion

Target
$3 - $4 Billion

- Growing operating profit
- Sustaining optimal working capital management
- Maintaining disciplined capex investments

Generating strong sustainable cash flow to support our growth
Capital Allocation Strategy

~40% Capex
- Invest for top-line growth
- Innovative solutions
- Sustaining our platform

~25% Strategic Acquisitions
- Strategic value
- Revenue and operating growth
- EPS accretive

~35% Returning Value
- Committed to share repurchase
- Potential for dividends

Creating shareholder value with a long-term vision
Guidance & Key Takeaways
Reiterate Guidance for Q1FY14 (June Qtr)

<table>
<thead>
<tr>
<th>FLEX Business Groups</th>
<th>JUN-13E Q/Q Outlook</th>
</tr>
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<tbody>
<tr>
<td>Integrated Network Solutions</td>
<td>Flat</td>
</tr>
<tr>
<td>Industrial &amp; Emerging Solutions</td>
<td>Low Single-Digit Growth</td>
</tr>
<tr>
<td>High Reliability Solutions</td>
<td>Flat</td>
</tr>
<tr>
<td>High Velocity Solutions</td>
<td>Low Double-Digit Growth</td>
</tr>
</tbody>
</table>

Quarterly Revenue ($ Millions)
- JUN-13E: $5,600
- JUN-13E: $5,300

Quarterly Adjusted EPS
- JUN-13E: $0.16
- JUN-13E: $0.12
Key Takeaways

**Competitively Advantaged**
Our Platform provides complete supply chain solutions

**Smart Investments**
Strategically investing and optimizing our Platform

**Accountability**
Our financial principles are the foundation for growth

**Positioned and committed to increasing shareholder value**
The non-GAAP financial measures included in this presentation: adjusted SG&A, adjusted operating profit & margin, adjusted EPS, debt to EBITDA and free cash flow may exclude certain amounts that are included in the most directly comparable measures under GAAP or may be a supplemental measure of operating performance. Adjusted financial measures exclude charges primarily for restructuring, stock-based compensation expense and intangible amortization. Please refer to the Investors section of our website which contain the reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures.

Adjusted operating margin by business group excludes intangible amortization, stock compensation expense and restructuring charges and represent approximations as the company does not include formal allocations of common facilities and overhead costs, or centralized corporate services such as marketing, IT and other administrative support. Although discrete financial information exists to a limited degree, the company opportunistically allocates its resources according to specific customer opportunity irrespective of the business group in which the business activity will be reported.

**Q1FY14E Guidance Notes:**
Quarterly GAAP earnings per diluted share are expected to be lower than the guidance provided herein by approximately $0.03 reflecting quarterly intangible amortization and stock-based compensation expense, and by approximately $0.06 for the remaining restructuring charges.