

PRESS RELEASE

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FLEXTRONICS ANNOUNCES SEASONALLY STRONG FOURTH QUARTER RESULTS

Singapore, April 27, 2010 – Flextronics (NASDAQ: FLEX) today announced results for its fourth quarter ended March 31, 2010.

(US\$ in millions, except EPS)

	Three Month Periods Ended	
	March 31, 2010	December 31, 2009
Net sales	\$ 5,940	\$ 6,556
GAAP operating income	\$ 135	\$ 167
Adjusted operating income ⁽¹⁾	\$ 170	\$ 189
GAAP net income	\$ 60	\$ 93
Adjusted net income ⁽¹⁾	\$ 130	\$ 138
GAAP EPS	\$ 0.07	\$ 0.11
Adjusted EPS ⁽¹⁾	\$ 0.16	\$ 0.17

⁽¹⁾ A reconciliation of non-GAAP financial measures to GAAP financial measures is presented in Schedule II attached to this press release.

Fourth Quarter Results

Net sales for the fourth quarter ended March 31, 2010 were \$5.9 billion, compared to net sales for the third quarter ended December 31, 2009 of \$6.6 billion. Adjusted operating income for the fourth quarter ended March 31, 2010 was \$170 million with an adjusted operating margin of 2.9%, compared to adjusted operating income of \$189 million and an adjusted operating margin of 2.9% in the prior quarter. Adjusted net income for the fourth quarter ended March 31, 2010 was \$130 million and adjusted EPS was \$0.16 compared to \$138 million and \$0.17, respectively, for the prior quarter.

“We experienced less March quarter seasonality this year than we have historically, despite more component shortages than anticipated. More importantly, we remain very confident in our positioning entering fiscal 2011, with a strong Q1 start as all our market segments are forecasted to show sequential growth,” said Mike McNamara, CEO of Flextronics.

Paul Read, CFO of Flextronics added, “This marks the 7th consecutive quarter of positive cash flow generation. For the fiscal year, Flextronics generated \$800 million in cash flow from operations which includes the absorption of \$190 million in cash restructuring charges. This solid cash flow generation is supported by our industry leading 11 day cash conversion cycle and provides flexibility for the company to continue to invest in its business. Flextronics’ asset management coupled with our improving margins has driven a strong adjusted ROIC of 28.8%.”

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Cash and cash equivalents were approximately \$1.9 billion down \$314 million versus the prior quarter principally reflecting the redemption of the \$300 million 6.5% Senior Subordinated Notes. As a result, total debt declined \$294 million to \$2.26 billion at quarter end and has been reduced by approximately \$700 million since March 2009. Net debt, which is total debt less total cash, ended the quarter at \$329 million and has decreased by approximately \$800 million from one year ago.

Guidance

For the first quarter ending July 2, 2010, revenue is expected to be in the range of \$6.1 billion to \$6.6 billion and adjusted EPS is expected to be in the range of \$0.16 to \$0.19 per share.

GAAP earnings per share are expected to be lower than the guidance provided herein by approximately \$0.04 per diluted share for quarterly intangible amortization, stock-based compensation expense and non-cash interest expense.

Conference Calls and Web Casts

A conference call hosted by Flextronics's management will be held today at 5:00 p.m. EST / 2:00 p.m. PST to discuss the Company's financial results for the fourth quarter ended March 31, 2010.

The conference call will be broadcast via the Internet and may be accessed by logging on to the Company's website at www.flextronics.com. Additional information in the form of a slide presentation may also be found on the Company's site. A replay of the broadcast will remain available on the Company's website afterwards.

Minimum requirements to listen to the broadcast are Microsoft Windows Media Player software (free download at <http://www.microsoft.com/windows/windowsmedia/download/default.asp>) and at least a 28.8 Kbps bandwidth connection to the Internet.

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About Flextronics

Headquartered in Singapore (Singapore Reg. No. 199002645H), Flextronics is a leading Electronics Manufacturing Services (EMS) provider focused on delivering complete design, engineering and manufacturing services to automotive, computing, consumer, industrial, infrastructure, medical and mobile OEMs. Flextronics helps customers design, build, ship, and service electronics products through a network of facilities in 31 countries on four continents. This global presence provides design and engineering solutions that are combined with core electronics manufacturing and logistics services, and vertically integrated with components technologies, to optimize customer operations by lowering costs and reducing time to market. For more information, please visit www.flextronics.com.

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This press release contains forward-looking statements within the meaning of U.S. securities laws, including statements related to future expected revenues and earnings per share. These forward-looking statements involve risks and uncertainties that could cause the actual results to differ materially from those anticipated by these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements. These risks include that future revenues and earnings may not be achieved as expected; the risks to our particular electronics and technology sector of economic instability and a slowdown in consumer spending, particularly given the current economic conditions; the effects of customer or supplier bankruptcies or insolvency; supply shortages of required electronic components; the effects that current credit and market conditions could have on the liquidity and financial condition of customers or suppliers, including any impact on their ability to meet contractual obligations to us on terms and conditions previously negotiated; the effects that the current macroeconomic environment could have on our liquidity and ability to access credit markets; our dependence on industries that continually produce technologically advanced products with short life cycles; our ability to respond to changes in economic trends, to fluctuations in demand for customers' products and to the short-term nature of customers' commitments; competition in our industry, particularly from ODM suppliers in Asia; our dependence on a small number of customers for the majority of our sales and our reliance on strategic relationships with major customers; the challenges of effectively managing our operations, including our ability to manage manufacturing processes, control costs and manage changes in our operations; the challenges of integrating acquired companies and assets; not obtaining anticipated new customer programs, or that if we do obtain them, that they may not contribute to our revenue or profitability as expected or at all; our ability to utilize available manufacturing capacity; the risk of future restructuring charges that could be material to our financial condition and results of operations; our ability to design and quickly introduce world-class components products that offer significant price and/or performance advantages over competitive products; the impact on our margins and profitability resulting from substantial investments and start-up and integration costs in our components, design and ODM businesses; production difficulties, especially with new products; changes in government regulations and tax laws, including any effects related to the expiration of tax holidays; our exposure to potential litigation relating to intellectual property rights, product warranty and product liability; our dependence on the continued trend of outsourcing by OEMs; the challenges of international operations, including fluctuations in exchange rates beyond hedged boundaries leading to unexpected charges; our dependence on our key personnel; and our ability to comply with environmental laws. Additional information concerning these and other risks is described under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our reports on Form 10-K and 10-Q that we file with the U.S. Securities and Exchange Commission. The forward-looking statements in this press release are based on current expectations and Flextronics assumes no obligation to update these forward-looking statements.

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SCHEDULE I

FLEXTRONICS INTERNATIONAL LTD. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Month Periods Ended	
	March 31, 2010	December 31, 2009
GAAP:		
Net sales	\$ 5,940,156	\$ 6,556,137
Cost of sales	5,600,919	6,173,461
Restructuring charges	18,322	9,624
Gross profit	320,915	373,052
Selling, general and administrative expenses	183,582	205,614
Restructuring charges	1,991	162
Operating income	135,342	167,276
Intangible amortization	22,131	21,440
Other expense, net	10,478	-
Interest and other expense, net	37,090	40,555
Income before income taxes	65,643	105,281
Provision for income taxes	5,535	12,411
Net income	\$ 60,108	\$ 92,870
EPS:		
GAAP	\$ 0.07	\$ 0.11
Non-GAAP	\$ 0.16	\$ 0.17
Diluted Shares used in computing per share amounts	826,721	825,545

See Schedule II for the reconciliation of GAAP to non-GAAP financial measures.

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SCHEDULE II

FLEXTRONICS INTERNATIONAL LTD. AND SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES (1)
 (In thousands, except per share amounts)
 (unaudited)

	Three Month Periods Ended			
	March 31,		December 31,	
	2010	% of Sales	2009	% of Sales
Net Sales	\$ 5,940,156		\$ 6,556,137	
GAAP gross profit	\$ 320,915	5.4%	\$ 373,052	5.7%
Stock-based compensation expense	3,120		2,733	
Distressed customer charges	(2)		(26,439)	
Restructuring charges	(3)		9,624	
Non-GAAP gross profit	<u>\$ 342,357</u>	5.8%	<u>\$ 358,970</u>	5.5%
GAAP SG&A expenses	\$ 183,582	3.1%	\$ 205,614	3.1%
Stock-based compensation expense	(11,169)		(11,381)	
Distressed customer charges	(2)		(24,093)	
Non-GAAP SG&A expenses	<u>\$ 172,413</u>	2.9%	<u>\$ 170,140</u>	2.6%
GAAP operating income	\$ 135,342	2.3%	\$ 167,276	2.6%
Stock-based compensation expense	14,289		14,114	
Distressed customer charges	(2)		(2,346)	
Restructuring charges	(3)		9,786	
Non-GAAP operating income	<u>\$ 169,944</u>	2.9%	<u>\$ 188,830</u>	2.9%
GAAP net income	\$ 60,108	1.0%	\$ 92,870	1.4%
Stock-based compensation expense	14,289		14,114	
Distressed customer charges	(2)		(2,346)	
Restructuring charges	(3)		9,786	
Extinguishment of debt	(4)		-	
Non-cash convertible debt interest expense	(5)		3,889	
Intangible amortization	22,131		21,440	
Adjustment for taxes	(1,307)		(1,791)	
Non-GAAP net income	<u>\$ 130,002</u>	2.2%	<u>\$ 137,962</u>	2.1%
GAAP provision for income taxes	\$ 5,535	0.1%	\$ 12,411	0.2%
Restructuring charges	(619)		130	
Intangible amortization	1,926		1,661	
Non-GAAP provision for income taxes	<u>\$ 6,842</u>	0.1%	<u>\$ 14,202</u>	0.2%
EPS:				
GAAP	<u>\$ 0.07</u>		<u>\$ 0.11</u>	
Non-GAAP	<u>\$ 0.16</u>		<u>\$ 0.17</u>	
GAAP net cash flows provided by operating activities	\$ 49,208		\$ 331,304	
Purchase of property & equipment, net of dispositions	(56,064)		(40,236)	
Non-GAAP free cash flow	<u>\$ (6,856)</u>		<u>\$ 291,068</u>	

See the accompanying notes on Schedule IV attached to this press release.

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SCHEDULE III

FLEXTRONICS INTERNATIONAL LTD. AND SUBSIDIARIES
UNAUDITED GAAP CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	March 31, 2010	March 31, 2009 (5)
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,927,556	\$ 1,821,886
Accounts receivable, net	2,438,950	2,316,939
Inventories	2,875,819	2,996,785
Other current assets	747,676	799,396
Total current assets	7,990,001	7,935,006
Property and equipment, net	2,118,576	2,333,781
Goodwill and other intangibles, net	254,717	291,491
Other assets	279,258	756,662
Total assets	\$ 10,642,552	\$ 11,316,940
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Bank borrowings, current portion of long-term debt and capital lease obligations	\$ 32,311	\$ 19,358
Zero Coupon Convertible Junior Subordinated Notes due 2009	-	189,045
1% Convertible Subordinated Notes due 2010	234,240	-
Accounts payable	4,447,968	4,049,534
Other current liabilities	1,632,692	2,150,834
Total current liabilities	6,347,211	6,408,771
Long-term debt, net of current portion:		
Acquisition Term Loan due 2012 and 2014	1,674,435	1,692,024
6 1/2 % Senior Subordinated Notes due 2013	-	399,622
6 1/4 % Senior Subordinated Notes due 2014	302,172	402,090
1 % Convertible Subordinated Notes due 2010	-	218,391
Other long-term debt and capital lease obligations	13,651	21,553
Other liabilities	320,516	313,321
Total shareholders' equity	1,984,567	1,861,168
Total liabilities and shareholders' equity	\$ 10,642,552	\$ 11,316,940

See the accompanying notes on schedule IV attached to this press release.

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SCHEDULE IV

FLEXTRONICS INTERNATIONAL LTD. AND SUBSIDIARIES NOTES TO SCHEDULES I, II, & III

(1) To supplement Flextronics's unaudited selected financial data presented on a basis consistent with Generally Accepted Accounting Principles ("GAAP"), the Company discloses certain non-GAAP financial measures that exclude certain charges, including non-GAAP gross profit, non-GAAP selling, general and administrative expenses, non-GAAP operating income, non-GAAP net income and non-GAAP net income per diluted share. These supplemental measures exclude, among other items, stock-based compensation expense, restructuring charges, intangible amortization, financially distressed customer charges, non-cash convertible debt interest expense and certain other items. These non-GAAP measures are not in accordance with or an alternative for GAAP, and may be different from non-GAAP measures used by other companies. We believe that these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with Flextronics's results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate Flextronics's results of operations in conjunction with the corresponding GAAP measures. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the most directly comparable GAAP measures. We compensate for the limitations of non-GAAP financial measures by relying upon GAAP results to gain a complete picture of Company performance.

In calculating non-GAAP financial measures, we exclude certain items to facilitate a review of the comparability of the Company's operating performance on a period-to-period basis because such items are not, in our view, related to the Company's ongoing operational performance. We use non-GAAP measures to evaluate the operating performance of our business, for comparison with forecasts and strategic plans, for calculating return on investment, and for benchmarking performance externally against competitors. In addition, management's incentive compensation is determined using certain non-GAAP measures. Also, when evaluating potential acquisitions, we exclude certain of the items described below from consideration of the target's performance and valuation. Since we find these measures to be useful, we believe that investors benefit from seeing results "through the eyes" of management in addition to seeing GAAP results. We believe that these non-GAAP measures, when read in conjunction with the Company's GAAP financials, provide useful information to investors by offering:

- the ability to make more meaningful period-to-period comparisons of the Company's on-going operating results;
- the ability to better identify trends in the Company's underlying business and perform related trend analyses;
- a better understanding of how management plans and measures the Company's underlying business; and
- an easier way to compare the Company's operating results against analyst financial models and operating results of competitors that supplement their GAAP results with non-GAAP financial measures.

The following are explanations of each of the adjustments that we incorporate into non-GAAP measures, as well as the reasons for excluding each of these individual items in the reconciliations of these non-GAAP financial measures:

Stock-based compensation expense consists of non-cash charges for the estimated fair value of stock options and unvested share bonus awards granted to employees and assumed in business acquisitions. The Company believes that the exclusion of these charges provides for more accurate comparisons of its operating results to peer companies due to the varying available valuation methodologies, subjective assumptions and the variety of award types. In addition, the Company believes it is useful to investors to understand the specific impact stock-based compensation expense has on its operating results.

Restructuring charges include severance, impairment, lease termination, exit costs and other charges primarily related to the closures and consolidations of various manufacturing facilities. These costs may vary in size based on the Company's acquisition and restructuring activities, are not directly related to ongoing or core business results, and do not reflect expected future operating expenses. These costs are excluded by the Company's management in assessing current operating performance and forecasting its earnings trends, and are therefore excluded by the Company from its non-GAAP measures.

Distressed customer charges are comprised of additional provisions for doubtful accounts receivable, inventory and other obligations for customers that are experiencing significant financial difficulties. These costs are excluded by the Company's management in assessing its current operating performance and forecasting its earnings trends, and accordingly, are excluded by the Company from its non-GAAP measures.

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Intangible amortization consists of non-cash charges that can be impacted by the timing and magnitude of acquisitions. The Company considers its operating results without these charges when evaluating its ongoing performance and forecasting its earnings trends, and therefore excludes such charges when presenting non-GAAP financial measures. The Company believes that the assessment of its operations excluding these costs is relevant to its assessment of internal operations and comparisons to the performance of its competitors.

Other charges or gains consists of various other types of items that are not directly related to ongoing or core business results, such as impairment charges associated with non-core investments and notes receivable and gains or losses on the extinguishment of debt. We exclude these items because they are not related to the Company's ongoing operating performance or do not affect core operations. Excluding these amounts provide investors with a basis to compare Company performance against the performance of other companies without this variability.

Non-cash convertible debt interest expense consists of interest expense recorded as a result of new accounting for convertible debt instruments that may be settled in cash upon conversion. The Company considers its operating results without these charges when evaluating its ongoing performance and forecasting its earnings trends, and therefore excludes such charges when presenting non-GAAP financial measures. The Company believes that the assessment of its operations excluding these costs is relevant to its assessment of internal operations and comparisons to the performance of its competitors.

Adjustment for taxes relates to the tax effects of the various adjustments that we incorporate into non-GAAP measures in order to provide a more meaningful measure on non-GAAP net income and certain adjustments related to tax contingencies.

- (2) During the three-month period ended December 31, 2008, the Company incurred a \$145.3 million charge as a result of the previously announced Nortel bankruptcy. In November 2009, the Company agreed to a settlement with Nortel primarily related to pre-bankruptcy petition claims. As a result of this settlement, the Company revised its estimates related to the recovery of Nortel accounts receivable, certain retirement obligations and other claims. In addition, the Company has continued to recover amounts related to previously reserved inventory as a result of continuing business with Nortel post bankruptcy. During the three-month period ended December 31, 2009, we recorded a net \$2.3 million reduction to the original charge which included a reduction to cost of sales of \$26.3 million net of an increase to selling general and administrative expenses of \$24 million.
- (3) During the three month periods ended March 31, 2010 and December 31, 2009, the Company recognized restructuring charges as a result of the difficult macroeconomic conditions. The global economic crisis and related decline in the Company's customers' products across all of the industries it serves, has caused the Company's OEM customers to reduce their manufacturing and supply chain outsourcing negatively impacting the Company's capacity utilization levels. The Company's restructuring activities, which include employee severance, costs related to owned and leased facilities and equipment that are no longer in use and are to be disposed of, and other costs associated with the exit of certain contractual arrangements due to facility closures, are intended to improve its operational efficiencies by reducing excess workforce and capacity. In addition to the cost reductions, these activities will result in further shift of manufacturing capacity to locations with higher efficiencies and, in most instances, lower costs.
- (4) On March 19, 2010, the Company paid approximately \$306.3 million to redeem the remaining aggregate principal balance of \$299.8 million of its 6.5% Senior Subordinated Notes due 2013 at a redemption price of 102.167% of the principal amount. The Company recognized a loss associated with the early redemption of the notes of approximately \$10.5 million during the three month period ended March 31, 2010, consisting of the redemption price premium of approximately \$6.5 million, transaction costs and the write-off of unamortized debt costs totaling approximately \$4.0 million.
- (5) On April 1, 2009, the Company adopted new accounting for convertible debt instruments that may be settled in cash upon conversion (including partial cash settlement) which was required to be applied retrospectively. The adoption affected the accounting for the Company's 1% Convertible Subordinated Notes and Zero Coupon Convertible Junior Subordinated Notes by requiring the initial proceeds from their sale to be allocated between a liability component and an equity component in a manner that results in interest expense on the debt component at the Company's nonconvertible debt borrowing rate on the date of issuance. Upon adoption the Company recorded the change in accounting principle as a cumulative effect adjustment to the opening balance of accumulated deficit as of March 31, 2009 totaling approximately \$225 million and a discount to the carrying value of the convertible debt notes of \$27.5 million. The corresponding increase in the recorded value of ordinary shares was approximately \$252 million. The adoption had no impact on the Company's consolidated cash flows. Below is a summary of the impacts to the financial statements and related notes and interest expense for the respective periods presented.

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Balance Sheet:	1% Convertible Subordinated Notes		Zero Coupon Convertible Junior Subordinated Notes	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
	(In thousands)			
Principal amount of Notes.....	\$ 239,993	\$ 239,993	\$ -	\$ 195,000
Unamortized discount.....	(5,753)	(21,602)	-	(5,955)
Net carrying amount of Notes.....	<u>\$ 234,240</u>	<u>\$ 218,391</u>	<u>\$ -</u>	<u>\$ 189,045</u>

Income Statement:	Three-Month Periods Ended		Three-Month Periods Ended	
	March 31, 2010	December 31, 2009	March 31, 2010	December 31, 2009
	(In thousands)			
Amortization of discount net of adjustments to deferred financing costs.....	\$ 3,990	\$ 3,889	\$ -	\$ -

The adoption of the new accounting for convertible debt had less than a \$0.01 negative impact on basic and diluted GAAP earnings per share in both the three-month periods ended March 31, 2010 and December 31, 2009.

Free Cash Flow consists of GAAP net cash flows from operating activities less purchase of property and equipment, net of dispositions. We believe free cash flow is an important liquidity metric because it measures, during a given period, the amount of cash generated that is available to repay debt obligations, make investments, fund acquisitions and for certain other activities. Since Free Cash Flow includes investments in operating assets, we believe this non-GAAP liquidity measure is useful in addition to the most directly comparable GAAP measure – “net cash flows provided by operating activities.”

Return on Invested Capital (ROIC) is calculated by annualizing the Company's current quarter after-tax non-GAAP operating income and dividing that by a two quarter average net invested capital asset base. After-tax non-GAAP operating income excludes charges for financially distressed customers, stock-based compensation expense, restructuring and other charges. Net invested capital is defined as total assets less current liabilities and other long-term liabilities further adjusted for non-operating assets and liabilities. Non-operating assets and liabilities are not included in the net invested capital asset base because they do not affect non-GAAP operating income. Non-operating assets and liabilities include, but are not limited to, cash and cash equivalents, short-term investments, notes receivable, restructuring liabilities, accrued interest, short-term bank borrowings and current and non-current debt. We believe ROIC is a useful measure in providing investors with information regarding our performance. ROIC is a widely accepted measure of earnings efficiency in relation to total capital employed. We believe that increasing the return on total capital employed, as measured by ROIC, is an effective method to sustain and increase shareholder value. ROIC is not a measure of financial performance under generally accepted accounting principles in the U.S., and may not be defined and calculated by other companies in the same manner. ROIC should not be considered in isolation or as an alternative to net income or loss as an indicator of performance. The following table reconciles ROIC as calculated using after-tax non-GAAP operating income to the same performance measure calculated using the nearest GAAP measure, which is GAAP operating income adjusted for taxes:

ROIC	Q4 FY 2010	Q3 FY 2010
GAAP ROIC.....	22.9%	26.7%
Adjustments noted above.....	5.9%	3.4%
Non-GAAP ROIC.....	<u>28.8%</u>	<u>30.1%</u>

Cash Conversion Cycle (CCC) is defined as the sum of non-GAAP inventory turns in days and days sales outstanding in accounts receivable less non-GAAP days payable outstanding in accounts payable. We calculate non-GAAP inventory turns as annualized non-GAAP cost of sales (before adjustments for financially distressed customers, stock-based compensation expense, restructuring and other charges) divided by average inventory for the quarter. We calculate our days sales outstanding as annualized revenues divided by average accounts receivable for the quarter. We calculate non-GAAP days payable outstanding as annualized non-GAAP cost of sales (before adjustments for financially distressed customers, stock-based compensation expense, restructuring and other charges) divided by average accounts payable.

We believe the Cash Conversion Cycle is a useful measure in providing investors with information regarding our cash management performance and is a widely accepted measure of working capital management efficiency. These are measures of

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financial performance under generally accepted accounting principles in the U.S. when calculated using GAAP operating measures, but may not be defined and calculated by other companies in the same manner. These should not be considered in isolation or as an alternative to other GAAP metrics as an indicator of performance. For the Quarter ended March 31, 2010, Cash Conversion Cycle of 11 days calculated using the non-GAAP measures described above was the same as that calculated using cost of sales in accordance with GAAP.