

Flextronics International Inc.
Reconciliation of Non-GAAP Financial Measure
Free Cash Flow

We define free cash flow as "Net cash flows from operating activities" less "Purchases of property and equipment, net of dispositions" as shown on our Condensed Consolidated Statements of Cash Flows. 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. Free Cash Flow is not a measure determined in accordance with generally accepted accounting principles in the U.S., and may not be defined and calculated by other companies in the same manner. Free Cash Flow should not be considered a substitute for "Operating income," "Net income," "Net cash flows provided by operating activities" or any other measure determined in accordance with GAAP. 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."

The following table reconciles Free Cash Flow to "net cash flows provided by operating activities:"

(\$ in thousands)

	Three Months Ended December 31, 2007	Nine Months Ended December 31, 2007
Free Cash Flow	\$ 469,804	\$ 839,622
Purchases of property & equipment, net of dispositions	64,313	210,435
Net cash flows provided by operating activities	\$ 534,117	\$ 1,050,057

Flextronics International Inc.
Reconciliation of Non-GAAP Financial Measure
Annual Return on Invested Capital

Return on Invested Capital (ROIC) divides after-tax non-GAAP operating income by an average of net invested capital. After-tax non-GAAP operating income includes after-tax operating income from divested businesses, and excludes intangible amortization, stock-based compensation expense, restructuring and other charges. Net invested capital is defined as total assets less current liabilities and non-operating assets. Non-operating assets include cash and cash equivalents, short-term investments, notes receivable, deferred income tax assets, and other non-operating assets.

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 earnings 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 from continuing operations adjusted for taxes. The Company's ROIC metric for the December 31, 2007 quarter is based on pro forma amounts that include the Company's actual balances as of September 28, 2007 adjusted for the preliminary purchase allocation for the Company's acquisition of Solectron. Please refer to the Company's trended financial statements included in the Investors section of our website for further details.

ROIC	Fiscal Quarters Ended:				
	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07
Non-GAAP	9.9%	11.4%	10.3%	11.5%	11.9%
Restructuring and other charges	-5.9%	-2.2%	-4.7%	-0.6%	-11.0%
Discontinued operations	-0.2%	-0.9%	-0.7%	0.0%	0.0%
GAAP	<u>3.8%</u>	<u>8.3%</u>	<u>4.9%</u>	<u>10.9%</u>	<u>0.9%</u>