

FLEXTRONICS



Financial Results Fourth Quarter and Fiscal Year Ended March 31, 2009

Risks and Non-GAAP Disclosures

This presentation contains forward-looking statements within the meaning of U.S. securities laws, including statements related to revenue and earnings guidance; our expectations about our future operating margins, cash conversion cycle, inventory management, liquidity and capital structure; the expected charges and savings associated with our restructuring activities; and our expectations regarding end market demand for our products and our business in the current economic environment. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those anticipated by these statements; are based on our current expectations; and we assume no obligation to update them. Information about these risks is noted in the earnings press release, on slide 18 of this presentation, and in the Risk Factors and MD&A sections of our latest annual report, as amended, filed with the SEC, as well as in our other SEC filings. Investors are cautioned not to place undue reliance on these forward-looking statements.

Throughout this conference call we will reference both GAAP and non-GAAP financial measures. Please refer to the schedules to the earnings press release, on slides 8 and 9 of the presentation, and the GAAP vs. non-GAAP reconciliation in the “Investors” section of our website, which contain the reconciliation to the most directly comparable GAAP measures.

Fourth Quarter and Fiscal Year Financial Highlights

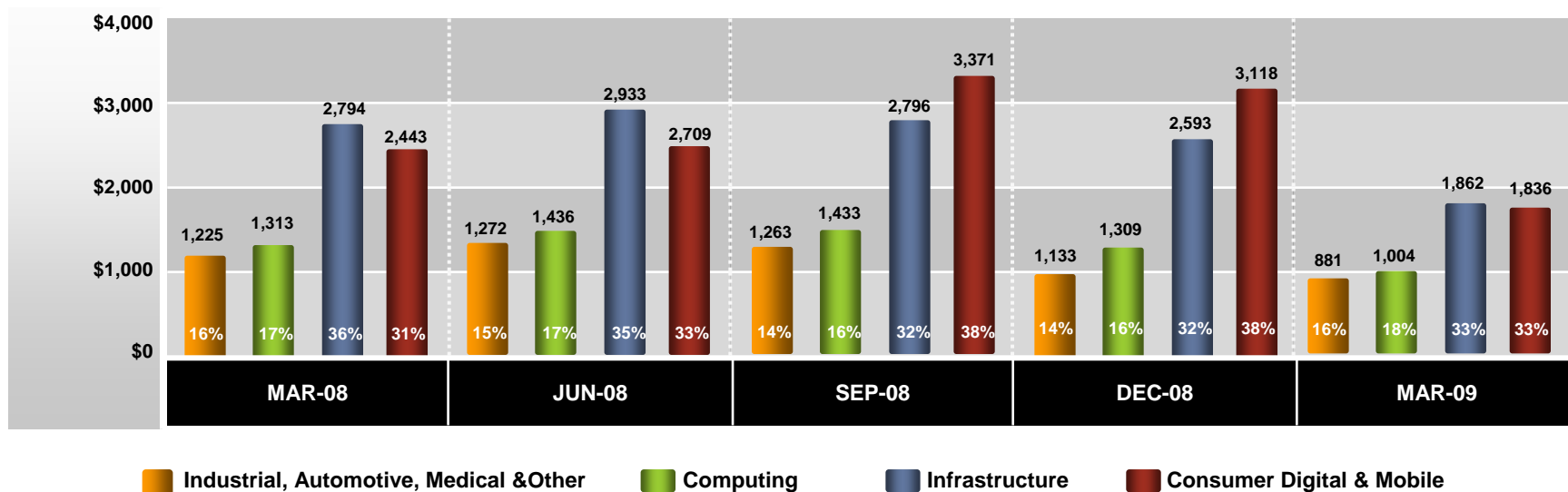
Non-GAAP Statements of Operations:

| (\$ in Thousands, except EPS) | For the Three-Month Periods Ended | | | For the Twelve-Month Period Ended |
|--|-----------------------------------|----------------|------------|-----------------------------------|
| | March 31, 2009 | March 31, 2008 | % Decrease | March 31, 2009 |
| Net sales | \$ 5,582,524 | \$ 7,775,352 | -28% | \$ 30,948,575 |
| Cost of sales | 5,347,414 | 7,291,283 | | 29,291,989 |
| Gross profit | 235,110 | 484,069 | -51% | 1,656,586 |
| Gross margin | 4.2% | 6.2% | | 5.4% |
| SG&A | 184,501 | 221,522 | -17% | 845,410 |
| | 3.3% | 2.8% | | 2.7% |
| Operating profit | 50,609 | 262,547 | -81% | 811,176 |
| Operating margin | 0.9% | 3.4% | | 2.6% |
| Interest and other expense, net | 47,115 | 31,869 | | 184,691 |
| Pretax income | 3,494 | 230,678 | -98% | 626,485 |
| Income Taxes | (18,177) | 16,147 | | 21,469 |
| Net income | \$ 21,671 | \$ 214,531 | -90% | \$ 605,016 |
| EPS | \$ 0.03 | \$ 0.26 | -88% | \$ 0.74 |

The non-GAAP financial measures exclude certain amounts that are included in the most directly comparable measures under GAAP. Non-GAAP operating results exclude charges for restructuring and other, distressed customers, note receivable impairment, stock-based compensation expense and intangible amortization. Please refer to the schedules to the earnings press release, slides 8 and 9 of this presentation, and the investors section of our website, which contain the reconciliation to the most comparable GAAP measures.

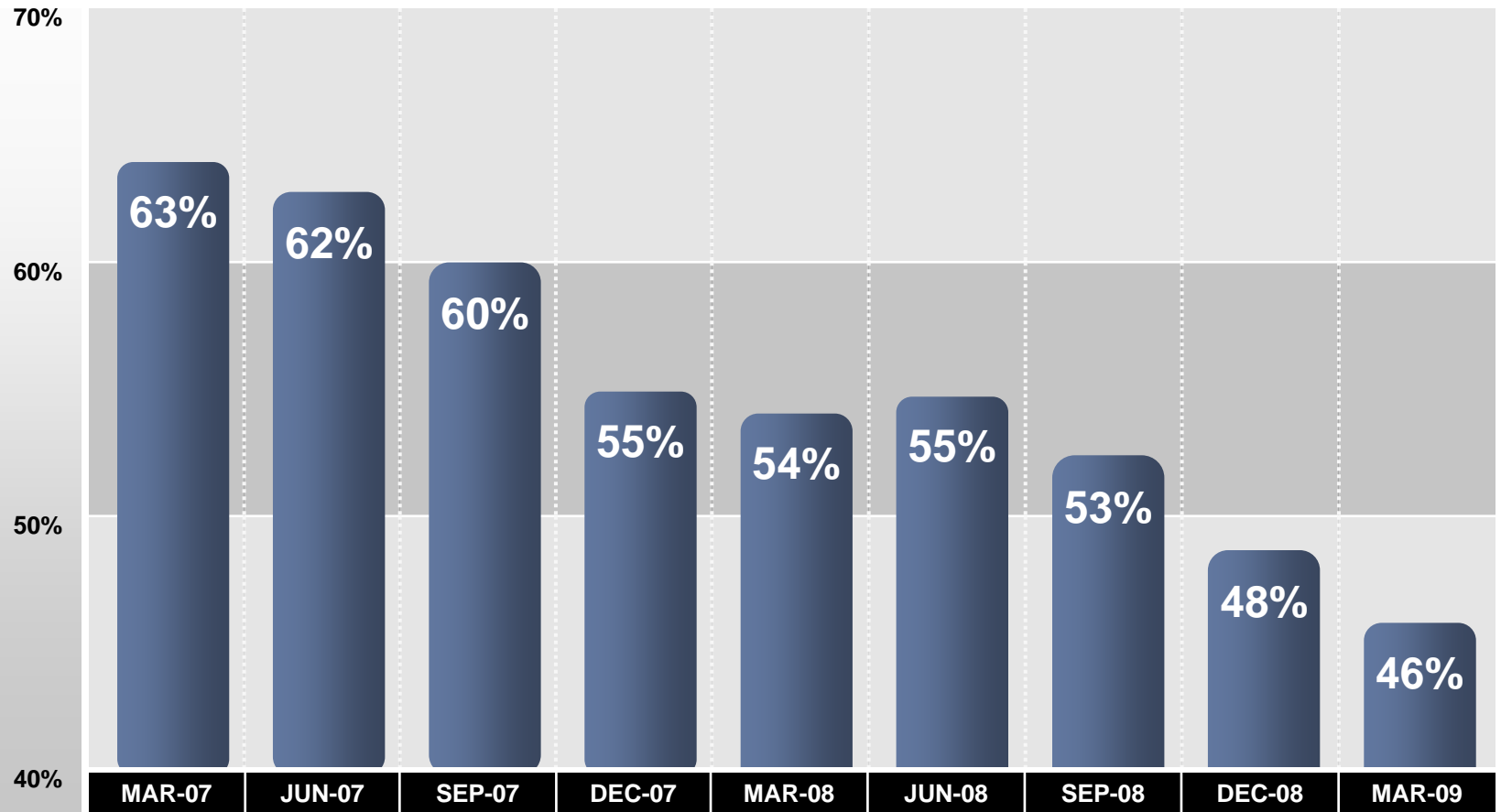
Quarterly Revenue by Market Segment

(\$ In Millions)



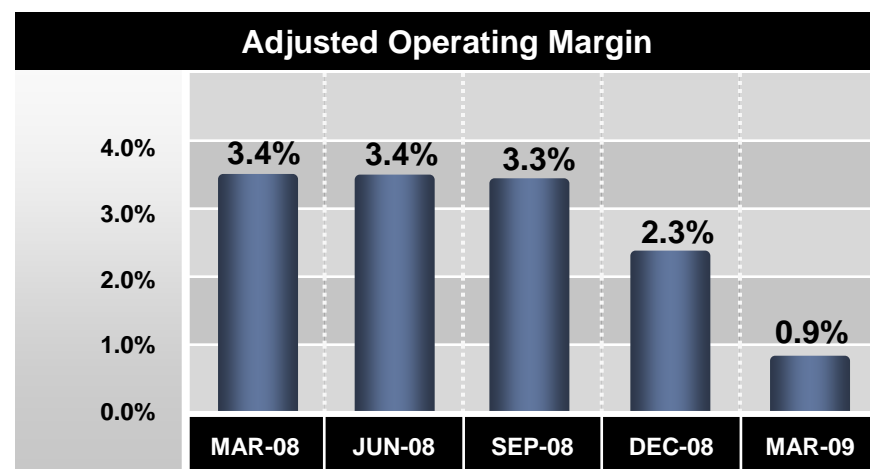
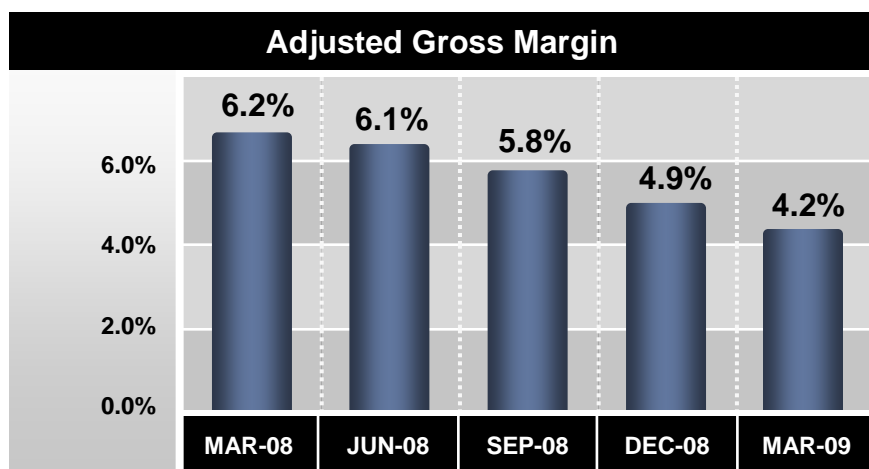
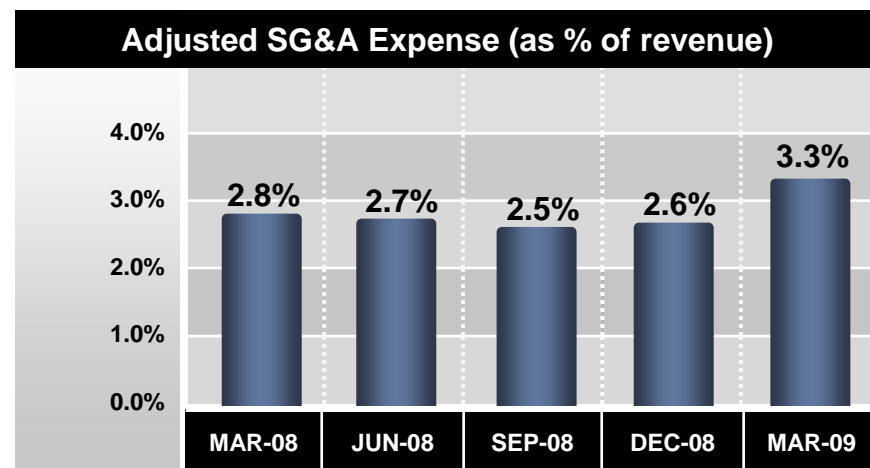
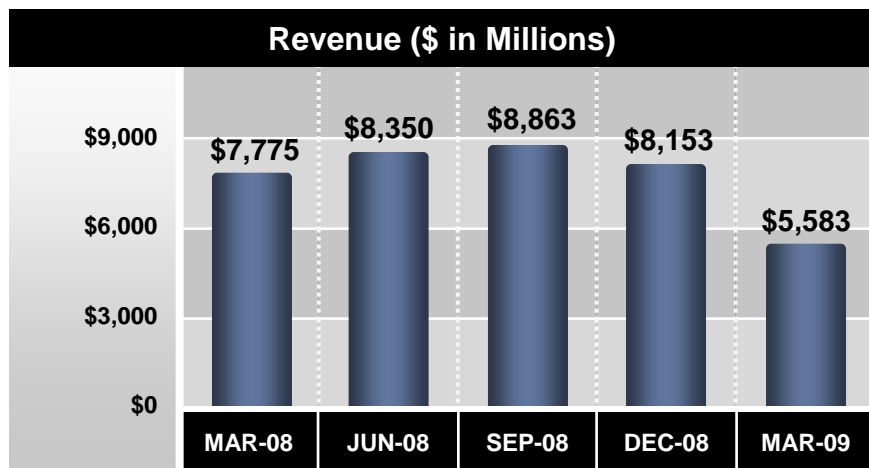
| | MAR-08 | | JUN-08 | | SEP-08 | | DEC-08 | | MAR-09 | |
|---|-----------------|-----|-----------------|-----|-----------------|-----|-----------------|-----|-----------------|-----|
| Computing | \$ 1,313 | 17% | \$ 1,436 | 17% | \$ 1,433 | 16% | \$ 1,309 | 16% | \$ 1,004 | 18% |
| Consumer Digital | 1,010 | 13% | 1,113 | 14% | 1,539 | 17% | 1,606 | 20% | 714 | 13% |
| Infrastructure | 2,794 | 36% | 2,933 | 35% | 2,796 | 32% | 2,593 | 32% | 1,862 | 33% |
| Mobile | 1,433 | 18% | 1,596 | 19% | 1,832 | 21% | 1,512 | 18% | 1,122 | 20% |
| Industrial, Automotive, Medical & Other | 1,225 | 16% | 1,272 | 15% | 1,263 | 14% | 1,133 | 14% | 881 | 16% |
| Total | \$ 7,775 | | \$ 8,350 | | \$ 8,863 | | \$ 8,153 | | \$ 5,583 | |

Top 10 Customer Diversification Trend



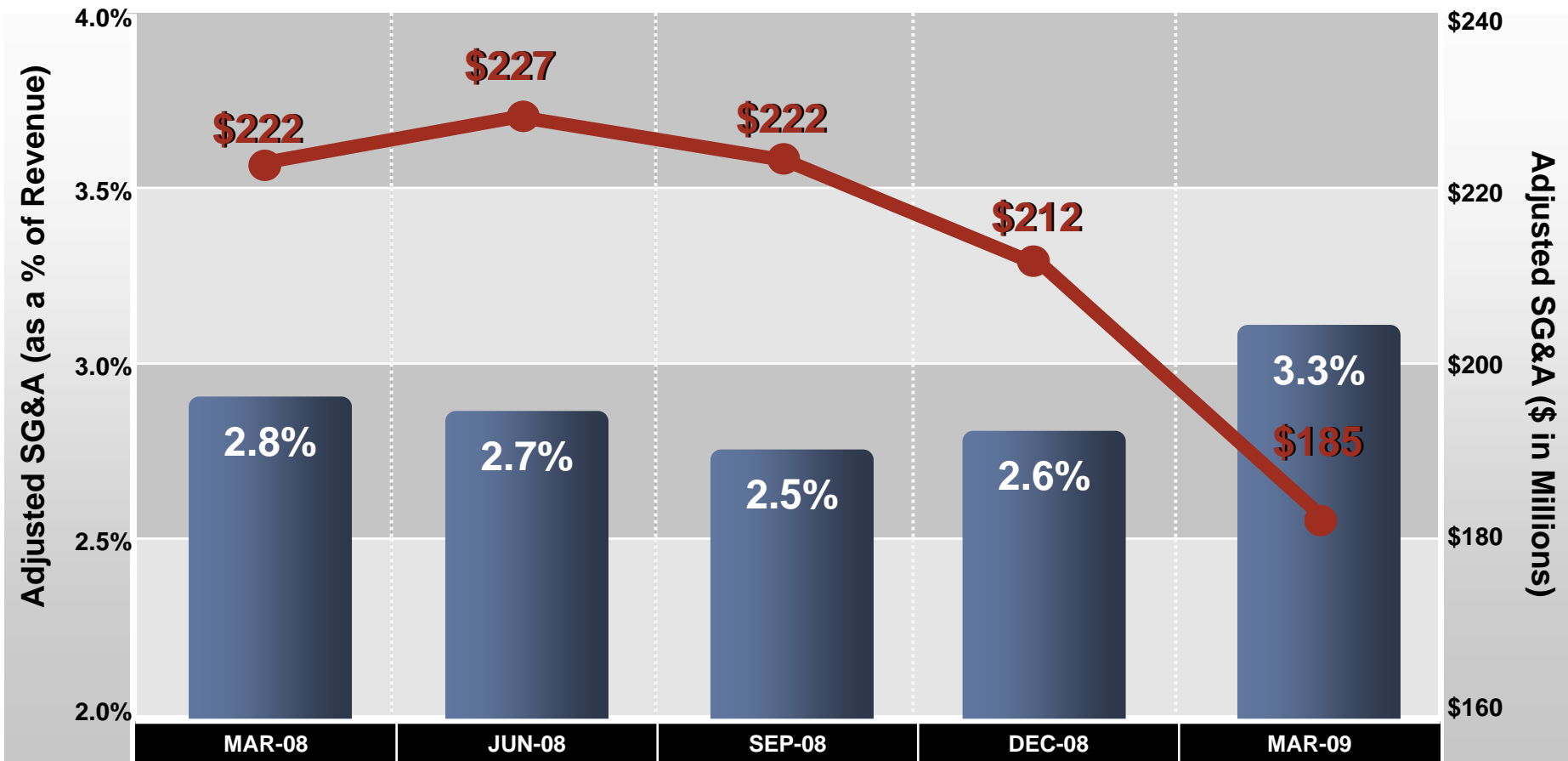
Percentage of net sales from continuing operations represented by 10 largest customers

Financial Highlights - Trended



Adjusted SG&A (as a percent of revenue), gross margin and operating margin are non-GAAP financial measures, which exclude certain amounts that are included in the most directly comparable measures under GAAP, including charges for financially distressed customers, restructuring and other, and stock-based compensation expense. Please refer to the schedules to the respective earnings press release, and the Investors section of our website, which contain the reconciliation to the most directly comparable GAAP measures.

Adjusted SG&A Expense



Adjusted SG&A is a non-GAAP financial measure, which excludes certain amounts that are included in the most directly comparable measures under GAAP, including charges for financially distressed customers, restructuring and other, and stock-based compensation expense. Please refer to the schedules to the respective earnings press release, and the Investors section of our website, which contain the reconciliation to the most directly comparable GAAP measures.

Fourth Quarter GAAP Operating Results

(\$ in Thousands, except EPS)

Quarter Ended March 31, 2009

| | Gross Profit | Operating Profit | Pretax Income | Income Taxes | Net Income (loss) | EPS |
|-----------------------------|---------------------|-------------------------|----------------------|---------------------|--------------------------|------------|
| Non-GAAP | \$ 235,110 | \$ 50,609 | \$ 3,494 | \$ (18,177) | \$ 21,671 | \$ 0.03 |
| Stock-based compensation | (2,662) | (8,754) | (8,754) | - | (8,754) | |
| Distressed customer charges | 5,232 | - | - | - | - | |
| Restructuring and other | (128,817) | (150,570) | (150,570) | 2,657 | (153,227) | |
| Intangible amortization | - | - | (27,696) | (2,338) | (25,358) | |
| Note receivable impairment | - | - | (74,129) | - | (74,129) | |
| GAAP | \$ 108,863 | \$ (108,715) | \$ (257,655) | \$ (17,858) | \$ (239,797) | \$(0.30) |

Quarter Ended March 31, 2008

| | Gross Profit | Operating Profit | Pretax Income | Income Taxes | Net Income (loss) | EPS |
|--------------------------|---------------------|-------------------------|----------------------|---------------------|--------------------------|------------|
| Non-GAAP | \$ 484,069 | \$ 262,547 | \$ 230,678 | \$ 16,147 | 214,531 | \$ 0.26 |
| Stock-based compensation | (2,400) | (15,269) | (15,269) | - | (15,269) | |
| Restructuring and other | (217,786) | (233,469) | (233,215) | (214) | (233,001) | |
| Intangible amortization | - | - | (61,478) | (2,373) | (59,105) | |
| GAAP | \$ 263,883 | \$ 13,809 | \$ (79,284) | \$ 13,560 | \$ (92,844) | \$(0.11) |

The non-GAAP financial measures exclude certain amounts that are included in the most directly comparable measures under GAAP. Non-GAAP operating results exclude charges for restructuring and other, note receivable impairment, distressed customer, stock-based compensation expense and intangible amortization.

Fiscal Year 2009 GAAP Operating Results

(\$ in Thousands, except EPS)

Year Ended March 31, 2009

| | <u>Gross Profit</u> | <u>Operating Profit</u> | <u>Pretax Income</u> | <u>Income Taxes</u> | <u>Net Income (loss)</u> | <u>EPS</u> |
|---------------------------------|---------------------|-------------------------|-----------------------|---------------------|--------------------------|------------------|
| Non-GAAP | \$ 1,656,586 | \$ 811,176 | \$ 626,485 | \$ 21,469 | \$ 605,016 | \$ 0.74 |
| Stock-based compensation | (10,053) | (61,749) | (61,749) | - | (61,749) | |
| Distressed customer charges | (189,464) | (262,718) | (272,718) | - | (272,718) | |
| Restructuring and other charges | (176,639) | (209,990) | (213,668) | (2,019) | (211,649) | |
| Intangible amortization | - | - | (135,872) | (14,241) | (121,631) | |
| Goodwill impairment | - | - | (5,949,977) | - | (5,949,977) | |
| Investment/NR impairment | - | - | (101,587) | - | (101,587) | |
| Gain on repurchase of debt | - | - | 28,148 | - | 28,148 | |
| GAAP | <u>\$ 1,280,430</u> | <u>\$ 276,719</u> | <u>\$ (6,080,938)</u> | <u>\$ 5,209</u> | <u>\$ (6,086,147)</u> | <u>\$ (7.41)</u> |

Year Ended March 31, 2008

| | <u>Gross Profit</u> | <u>Operating Profit</u> | <u>Pretax Income</u> | <u>Income Taxes</u> | <u>Net Income (loss)</u> | <u>EPS</u> |
|---|---------------------|-------------------------|----------------------|---------------------|--------------------------|------------------|
| Non-GAAP | \$ 1,622,451 | \$ 887,208 | \$ 799,596 | \$ 54,792 | 744,804 | \$ 1.02 |
| Restructuring, integration, and other costs | (438,681) | (506,000) | (514,224) | (5,751) | (508,473) | |
| Investment impairment | - | - | (61,078) | - | (61,078) | |
| Stock-based compensation | (7,367) | (50,577) | (50,577) | - | (50,577) | |
| Intangible amortization | - | - | (117,359) | (5,278) | (112,081) | |
| Gain on divestiture of operations | - | - | 9,309 | - | 9,309 | |
| U.S. deferred tax asset impairment | - | - | - | 661,274 | (661,274) | |
| GAAP | <u>\$ 1,176,403</u> | <u>\$ 330,631</u> | <u>\$ 65,667</u> | <u>\$ 705,037</u> | <u>\$ (639,370)</u> | <u>\$ (0.89)</u> |

The non-GAAP financial measures exclude certain amounts that are included in the most directly comparable measures under GAAP. Non-GAAP operating results exclude charges for restructuring and other, goodwill and note receivable impairment, distressed customer, stock-based compensation expense and intangible amortization.

Restructuring Charge - Update

(\$ In Thousands)

| | Q4'09 | Q1'10E | Q2'10E | Q3'10E | Total |
|------------------------------------|------------------|-----------|-----------|-----------|-------------------|
| Cash Charges | \$95,200 | -- | -- | -- | ~\$150,000 |
| Non Cash Charges | \$55,400 | -- | -- | -- | ~\$100,000 |
| Total Restructuring Charges | \$150,600 | -- | -- | -- | ~\$250,000 |

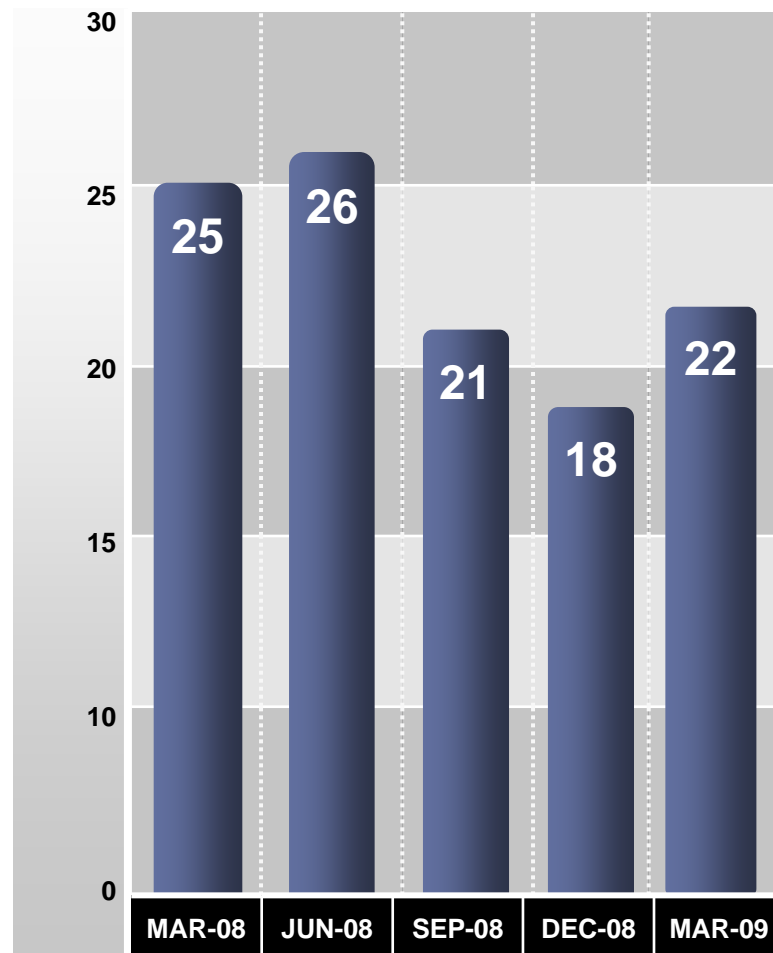
- **Announced restructuring of \$220 million to \$250 million on March 10, 2009**
- **Savings in COGS and SG&A through lower depreciation and reduced employee expenses is expected to yield annualized savings of \$230 million to \$260 million**
- **Expected annual savings run rate to be achieved within 2 to 3 quarters**

Cash Conversion Cycle

(\$ In Millions)

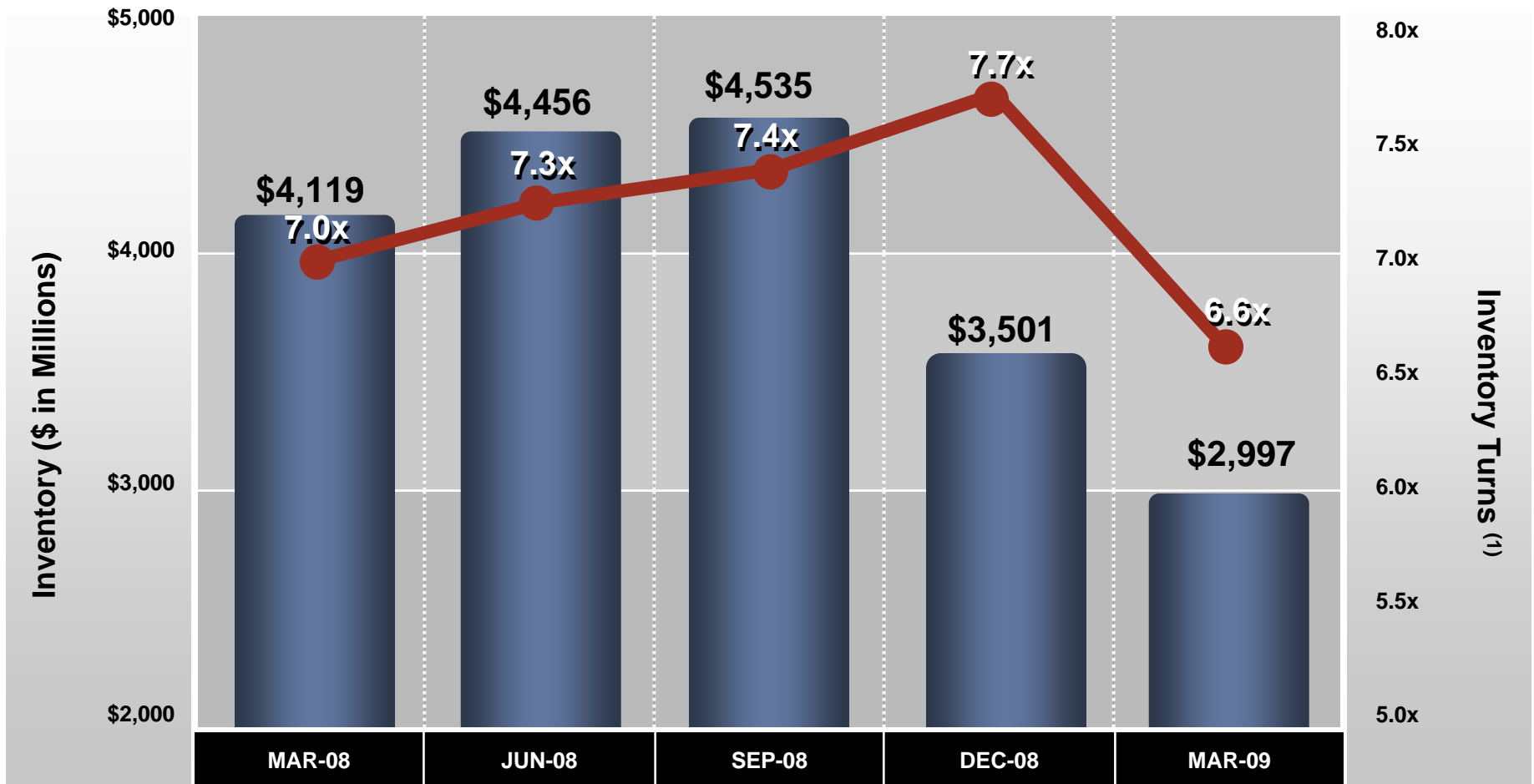
| Quarter Ended | MAR-09 | MAR-08 |
|---------------------------------------|----------|----------|
| Cost of sales – current quarter (1) | \$ 5,347 | \$ 7,291 |
| Annualized | 21,388 | 29,164 |
| Inventory – current quarter | 2,997 | 4,119 |
| Inventory – prior quarter | 3,501 | 4,272 |
| Average Inventory | 3,249 | 4,196 |
| INVENTORY TURNS (DAYS) | 55 | 53 |
| Sales – current quarter | \$ 5,583 | \$ 7,775 |
| Annualized | 22,332 | 31,100 |
| Accounts Receivable – current quarter | 2,317 | 3,551 |
| Accounts Receivable – prior quarter | 2,907 | 3,642 |
| Average Accounts Receivable | 2,612 | 3,597 |
| ACCOUNTS RECEIVABLE TURNOVER (DAYS) | 43 | 42 |
| Accounts Payable – current quarter | \$ 4,050 | \$ 5,311 |
| Accounts Payable – prior quarter | 4,830 | 5,836 |
| Average Accounts Payable | 4,440 | 5,574 |
| ACCOUNTS PAYABLE TURNOVER (DAYS) | 76 | 70 |
| CASH CONVERSION CYCLE (DAYS) | 22 | 25 |

Cash Conversion Cycle (in Days)



(1) Non-GAAP gross profit excludes restructuring and other charges, charges associated with financially distressed customers and stock-based compensation, which are attributable to cost of sales. Please refer to the schedules to the Company's earnings press release, slide 8 of this presentation, and the investors section of our website, which contain the reconciliation to the most directly comparable GAAP measure, which is GAAP gross profit.

Inventory Management



(1) Non-GAAP gross profit excludes restructuring and other charges, charges associated with financially distressed customers and stock-based compensation, which are attributable to cost of sales. Please refer to the schedules to the respective earnings press release and the investors section of our website, which contain the reconciliation to the most directly comparable GAAP measure, which is GAAP gross profit.

Summary Statement of Cash Flows

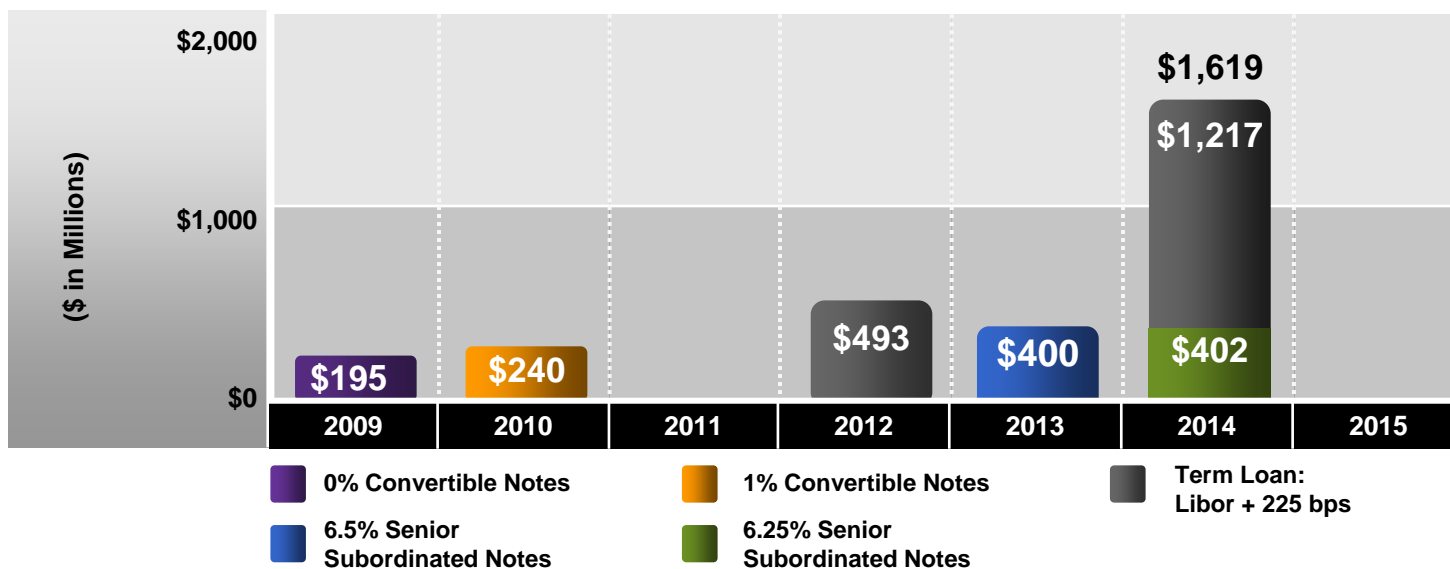
| <i>(\$ in thousands)</i> | | Three Months Ended Mar-09 | Twelve Months Ended Mar-09 |
|---|--|------------------------------|-------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| | GAAP net loss | \$ (239,797) | \$ (6,086,147) |
| | Depreciation and amortization | 128,596 | 521,398 |
| | Change in sales of accounts receivable | (201,650) | (106,253) |
| | Impairment of goodwill | - | 5,949,977 |
| | Restructuring payments | (75,650) | (425,823) |
| | Change in working capital and other | 674,045 | 1,463,627 |
| | Net cash provided by operating activities | 285,544 | 1,316,779 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| | Purchases of property & equipment, net of dispositions | (88,813) | (462,079) |
| | Payments for acquired businesses, net of cash acquired | (14,912) | (214,496) |
| | Other investing activities | 34,535 | 31,719 |
| | Net cash used in investing activities | (69,190) | (644,856) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| | Net bank borrowings (repayments) | (201,705) | (173,370) |
| | Purchase of treasury shares | - | (260,074) |
| | Net proceeds from issuance of ordinary shares | - | 12,842 |
| | Net cash used in partial repurchase of long-term debt | - | (226,199) |
| | Net cash used in financing activities | (201,705) | (646,801) |
| | Effect on cash from exchange rate changes | 10,958 | 76,816 |
| | Net increase in cash and cash equivalents | 25,607 | 101,938 |
| | Cash and cash equivalents at beginning of period | 1,796,279 | 1,719,948 |
| | Cash and cash equivalents at end of period | \$ 1,821,886 | \$ 1,821,886 |

Cash, Debt and Debt Maturities Profile

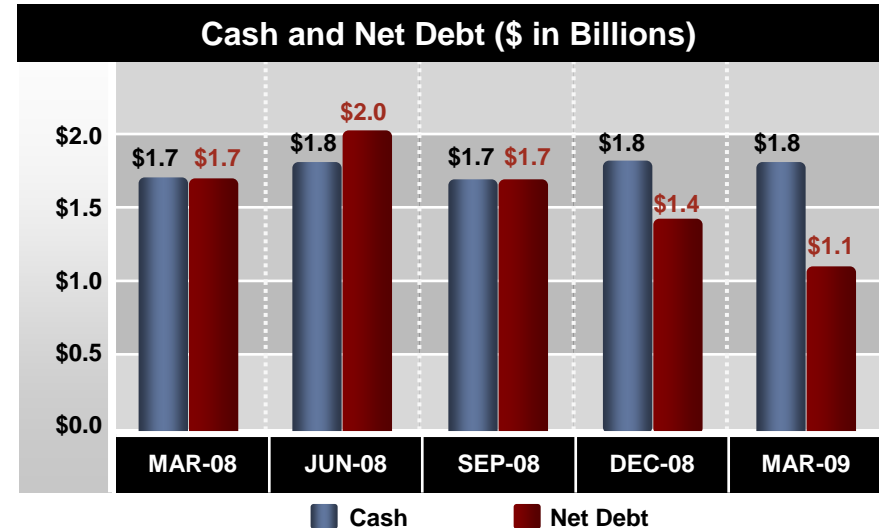
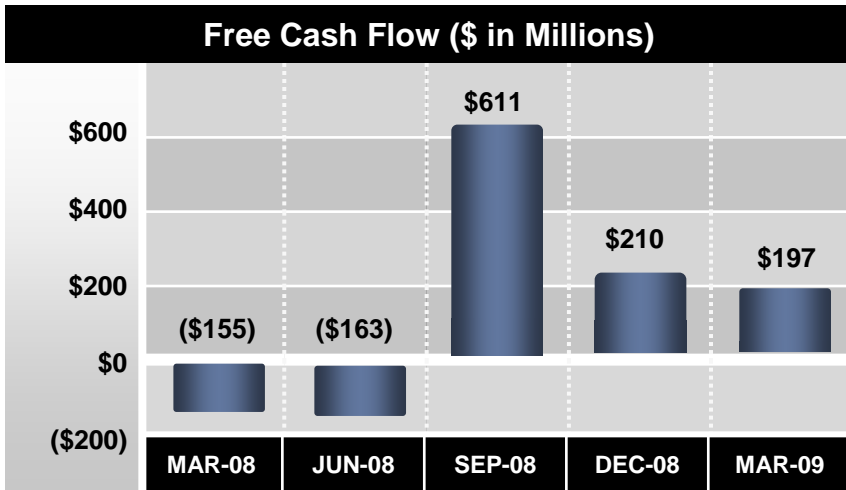
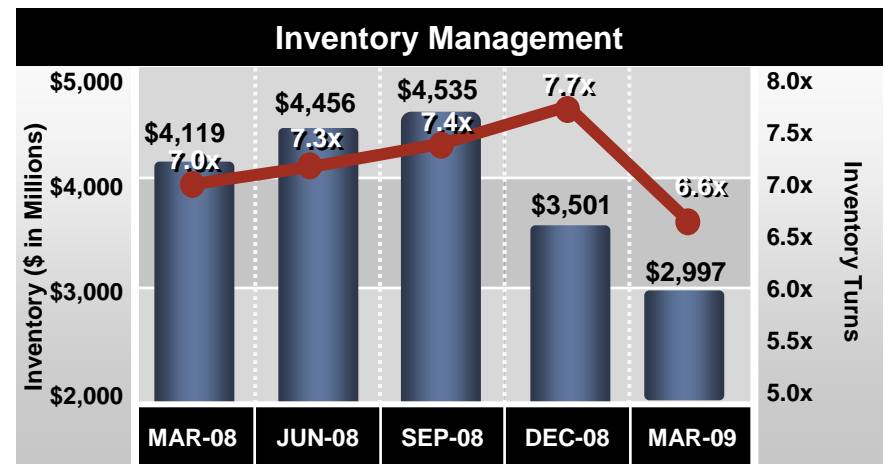
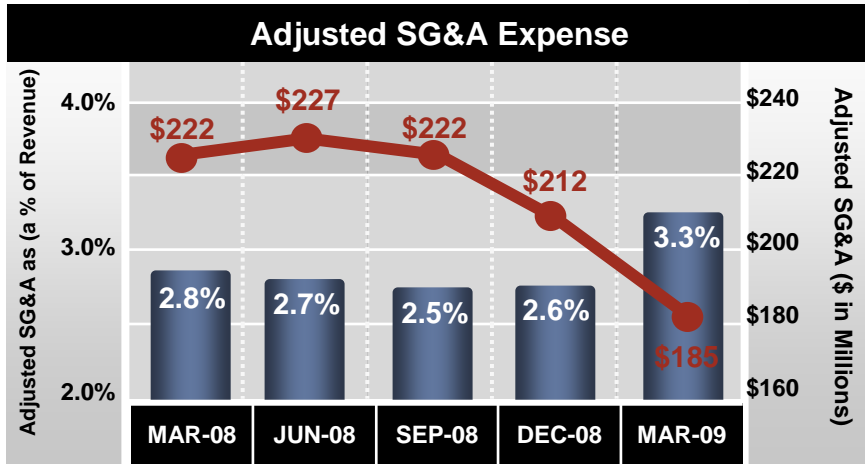
Cash and Debt Position

| | | Quarter Ended | | |
|------------------|------------|---------------|---------|---------|
| | | MAR-09 | DEC-08 | MAR-08 |
| (\$ in Millions) | Cash | \$1,822 | \$1,796 | \$1,720 |
| | Total Debt | 2,970 | 3,173 | 3,417 |
| | Net Debt | 1,148 | 1,377 | 1,697 |

Significant Debt Maturities by Calendar Year

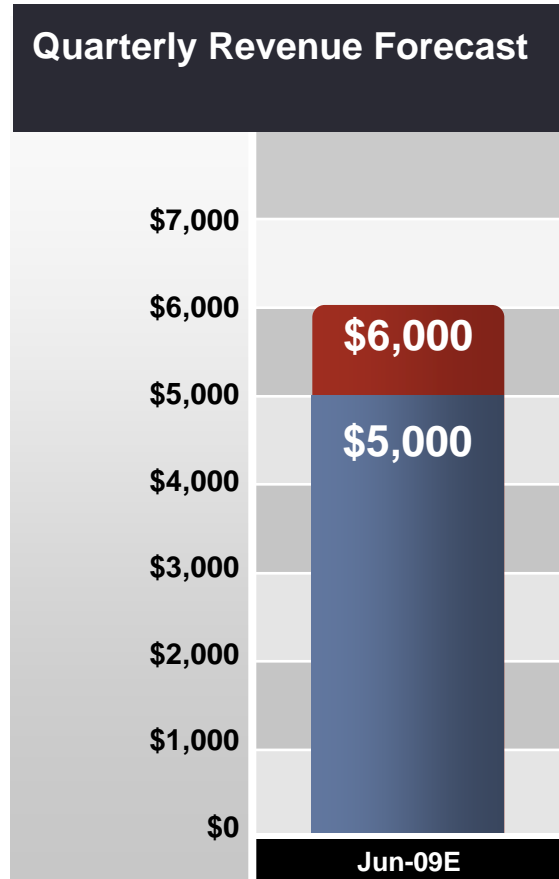


Commentary

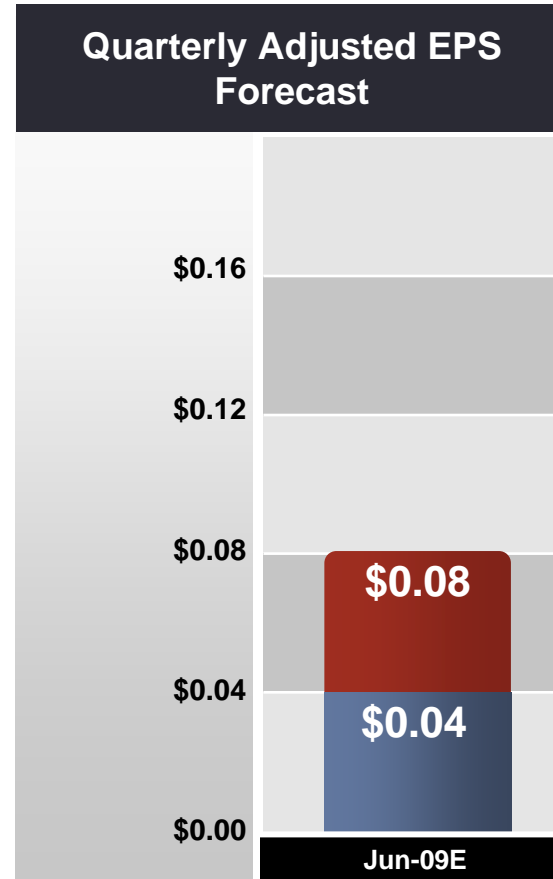


June Quarter Fiscal Year 2010 Guidance

Revenue (*\$ in millions*)



Earnings Per Share



Non-GAAP financial measures exclude after-tax restructuring and other charges, stock-based compensation expense, and intangible amortization, that are included in the most directly comparable measures under GAAP. GAAP earnings per diluted share are expected to be lower than the guidance provided herein by approximately \$0.15 reflecting estimated restructuring activities, non-cash interest expense, quarterly intangible amortization and stock-based compensation expense.

Summary

- **Within a six-month timeframe, we have adjusted our business to respond to changes in market demand**
- **We are pleased with our cash flow generation and strength of our balance sheet**
- **We have scale and competitive advantages:**
 - Diversification across geographies, markets and end-customers
 - Low-cost industrial parks
 - Vertically integrated end-to-end solutions for our customers
- **Our strategy and organizational structure are intact and appropriate for the challenging environment**



Risk Factors

RISKS INCLUDE:

- That future revenue 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.
- 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 of the current macroeconomic environment could have on our liquidity and ability to access credit markets.
- Our dependence on industries that continually produce technologically advanced projects 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 our 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 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, start-up and integration costs in our components, design and ODM businesses; and production difficulties, especially with new products.
- Changes in government regulations and tax laws including any effects related to the expiration of tax holidays .
- Not realizing expected returns from our retained interests in divested businesses.
- 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.
- Supply shortages of required electronic components.
- The challenges of international operations, including fluctuations in exchange rates beyond hedged boundaries leading to unexpected charges.
- Our dependence on our key personnel.
- Our ability to comply with environmental laws.

Further information concerning these and other risk factors that could cause actual results to differ materially from those in the forward looking statements is contained in the Risk Factors and Management's Discussion and Analysis sections of our reports on forms 10-Q, 10-K, as amended, and 8-K as well as the other reports that we file with the US. Securities and Exchange Commission.

Thank You