FLEXTRONICS





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Flextronics Mid-Year Business Update

November 17, 2009

Agenda

- Segment Overview and Operating Footprint
- History
- Product Strategies
- Customers and Competition
- Financials

FlexComputing Products and Scope

Full system and subsystem design, ODM & EMS manufacturing, fulfillment, and aftermarket services

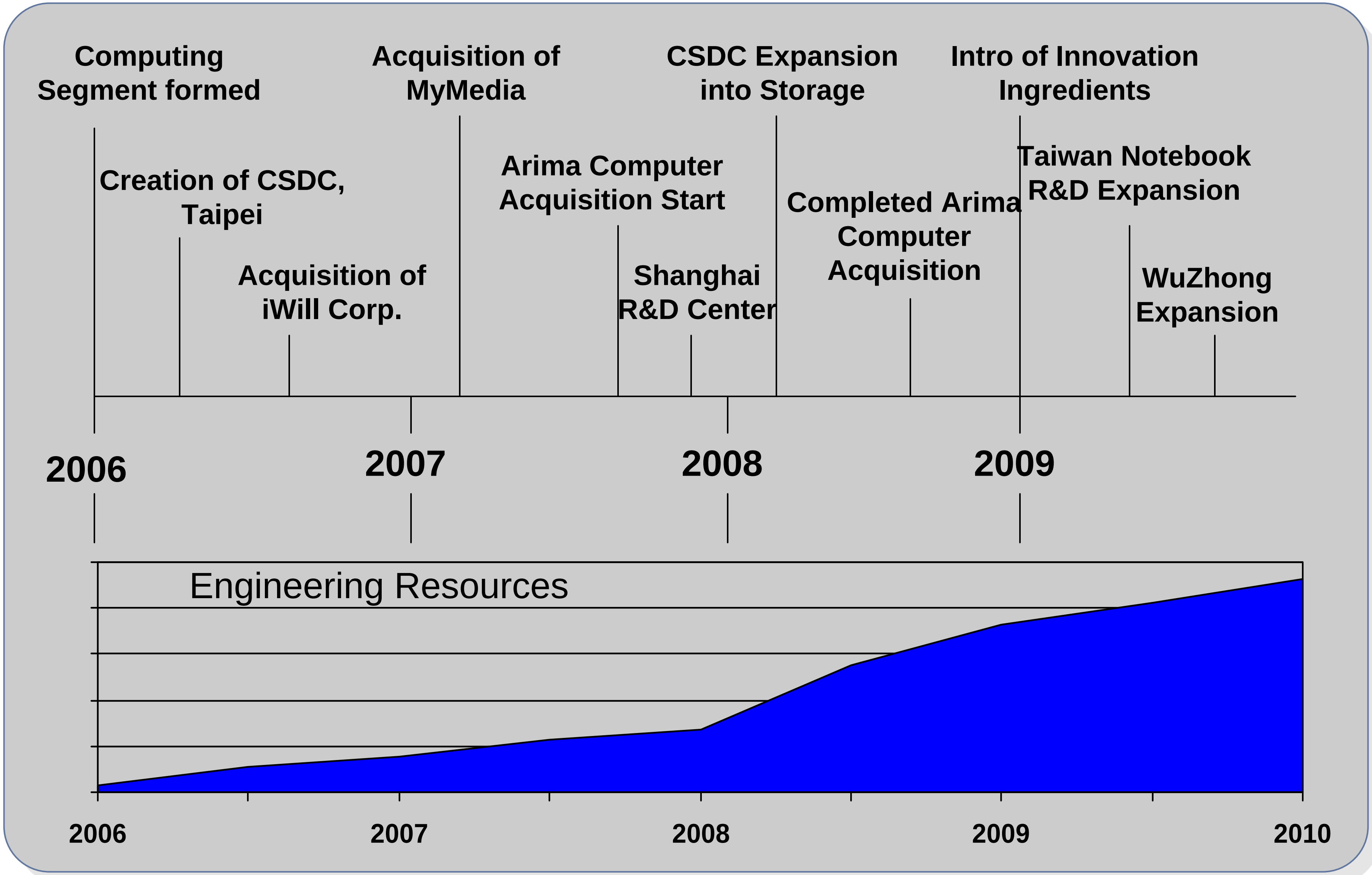
Desktop PCs

Notebooks

Servers

Storage

FlexComputing History



Two major ways in which we compete

1) Scale and Footprint

2) Innovation and integration

We compete on our scale and footprint

The most comprehensive computing manufacturing footprint and breadth of design capability in the industry

Computing Segment Design Centers

CSDC

- Taipei, Taiwan
- Product Focus:
  - Desktop, AIO, Server, Storage
- Technical Expertise:
  - Elec, Mech, System design
  - FW / BIOS / SW
  - Tooling, Signal Integrity, System Validation

SDC

- Shanghai, China
- Product Focus:
  - Desktop
  - AIO
- Technical Expertise:
  - Elec, Mech
  - BIOS, Signal Analysis
  - System Validation

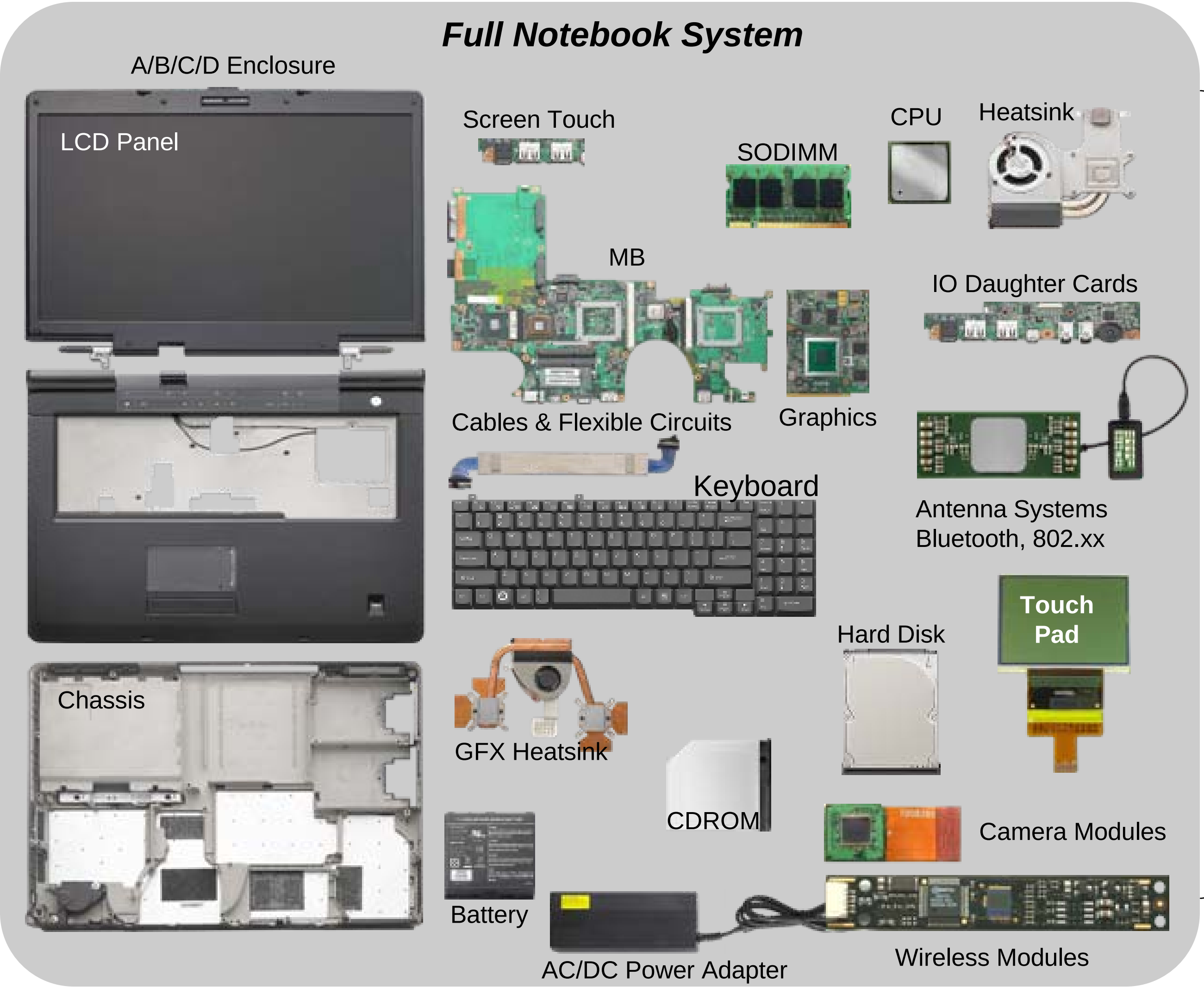
CSNC

- Taipei, Taiwan
- Product Focus:
  - Notebook, Netbook
- Technical Expertise:
  - Elec, Mech, System design
  - FW / BIOS / SW
  - Tooling, Signal Integrity, System Validation

TDC

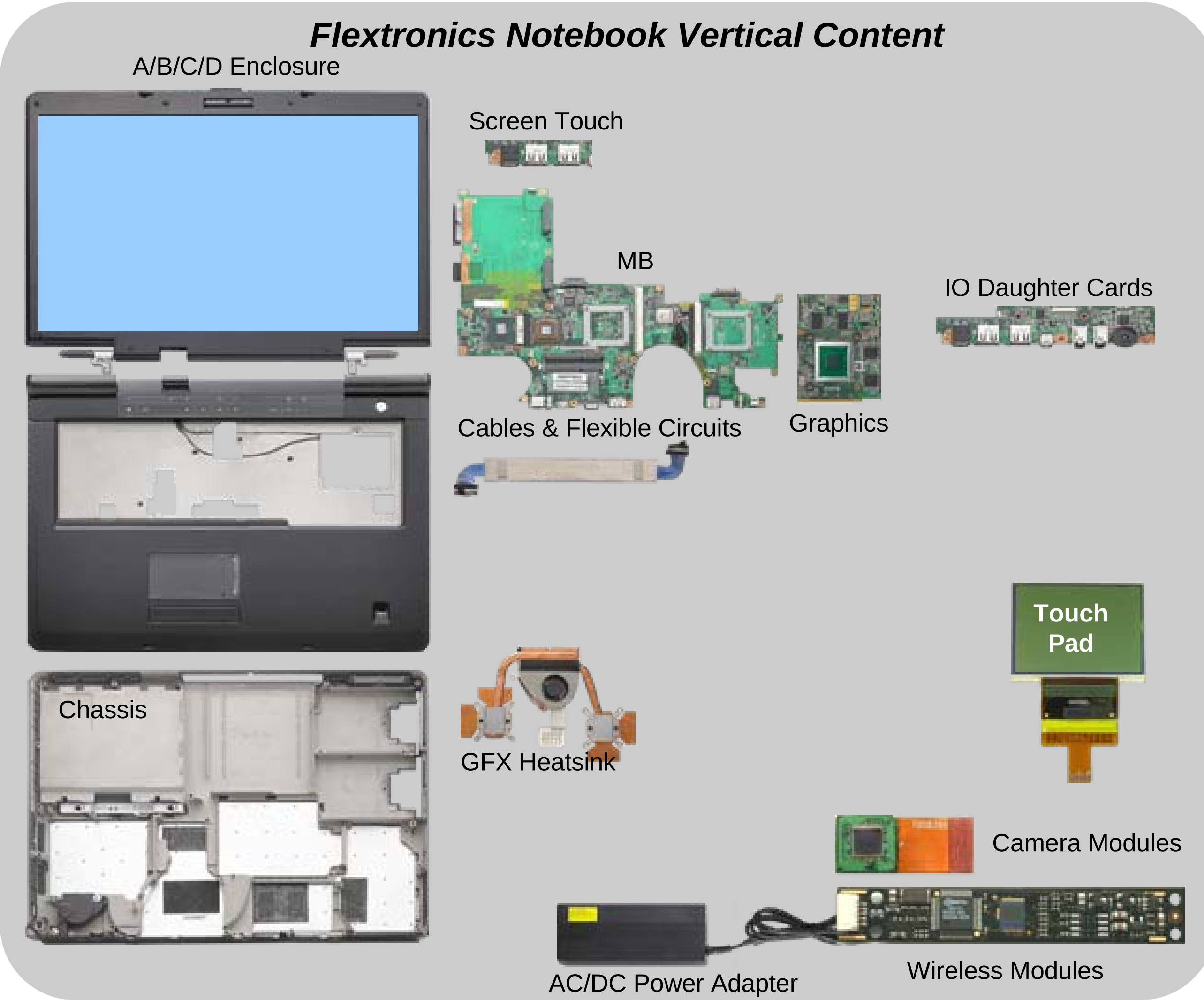
- Burlington, Canada
- Product Focus:
  - Sys, Emb, App SW
  - Innovation Ingredients
  - Automated SW, Des. Val & Mfg Systems
- Technical Expertise:
  - SW Dev ((MSFT, Linux, Android)
  - Sys Eng, Sys Design
  - Elec, Mech, Materials

We compete on innovation and Integration



- Packaging
- Parts Hubbing
- VMI Management
- CTO Manufacturing
- Logistics
- Postponement
- Retail Technical Services
- Service Parts Logistics
- System Level Repair
- System Refurbishment
- Environmental Disposal

We compete on innovation and Integration



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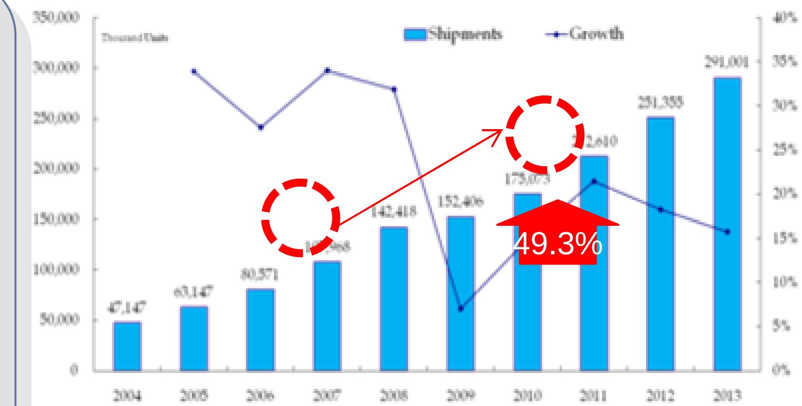
Key Markets

	Market	Rev FY10	Market Share
1	Notebook	~$1,000M	2.0%
2	Desktop	$857M	1.9%
3	Server/Storage	$2,372M	15.3%
4	Other	$257M	N/A
	Revenue	$4,486M	

FlexComputing Overview – Notebooks

- Notebook Market Trend:
  - 18% CAGR to 300Mu market size in FY14
  - <13”, Thin-n-Light NB & Netbook to take 50% mrket
  - Top 5 ODMs have 85% of supply, top 5 OEM have 66%
- Notebook Product Strategy:
  - Build OEM confidence by delivering difficult programs
  - Ultra Hi-end to Thin-n-Light, now Mainstream
  - Pre-RFQ roadmaps & prototypes to shorten TTM
  - Deliver Innovation Ingredients for add’l opportunities
  - Develop leading concepts, new materials (Ti clad), new features (touch), etc
- Key Design Wins:
  - 8 wins including refresh models from HP & Dell in CY09
  - In development with new notebooks/netbooks
  - Working additional quotes for more volume in 2010
- Flextronics Vertical Opportunities:
  - PSU, Webcam, Mechanicals, Cosmetic Finishes, PCB, Touch



Aggressive Tier 1 account penetration and product line growth

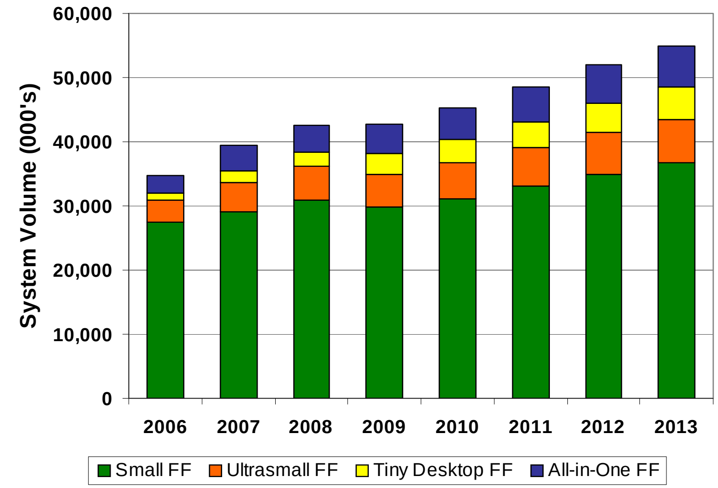
FlexComputing Overview – Desktops

- Desktop Market Trend:
  - Market moving to smaller form factors – by 2011
  - Small/ultrasmall form factor & All-in-One systems will make up > 35% of market, ~ 50M units/yr (IDC 2009)

- Desktop Product Strategy:
  - Targeting fastest growing desktop segments
  - AIO/USFF products can leverage notebook capability

- Targeted Desktop Product Categories:
  1. All-in-One systems
  2. Small & Ultrasmall form-factor systems
  3. Gaming PCs

- Flextronics Vertical Opportunities:
  - PSU, PCB, camera modules, touch, cosmetic finishes, plastic/metals



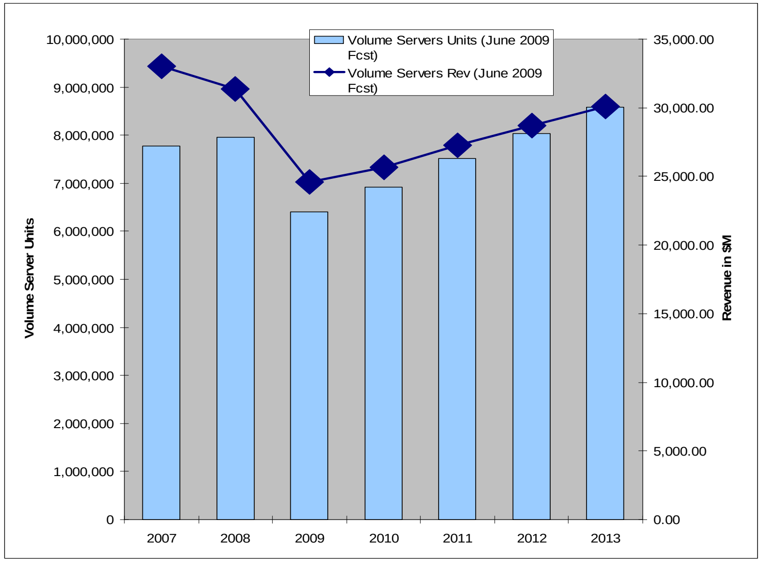
Compelling DT business growth in new disruptive product lines

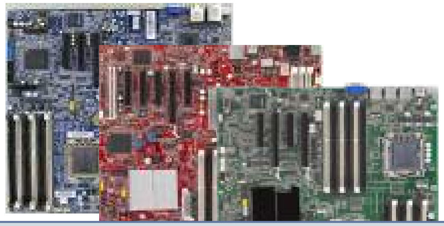
FlexComputing Overview – Servers

- Server Market Trend:
  - WW server market revenue declined ~30% YoY in 2Q09 (IDC, Sept ’09)
    - 4th consecutive Qtr of rev decline
    - Lowest Qtr server rev since IDC began tracking Qtrly data in 1996
  - Increasing demand for low-power
  - Greater energy efficiency driving evolution to higher density configurations

- Server Product Strategy
  - Targeting High Density, Energy Efficient Solutions
  - 2-Socket (1U & 2U rack & tower, Intel & AMD)
  - 1-Socket (1U rack & tower servers, Intel & AMD)
  - Focused effort for leverage and reuse

- Flextronics Vertical Opportunities:
  - PSU, PCB, Mechanicals





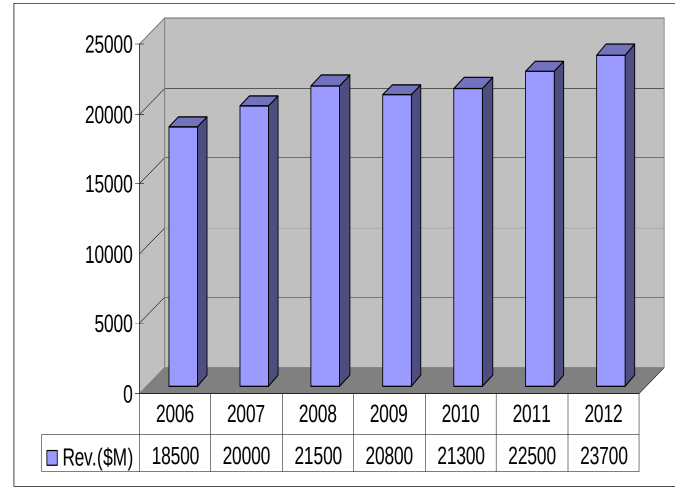
Server business expansion through innovative industry-leading designs

FlexComputing Overview – Enterprise Storage

- Storage Market Trends:
  - Economic crisis having less impact on storage than other segments of computing sector
  - Storage systems WW sales YoY decline ~3.1% in 2009 (IDC '09)
  - Storage design & mfg outsourcing transition continues
  - Some custom storage systems moving to industry-standard, server building blocks

- Storage Product Strategy
  1. Continue delivering JDM-based solutions with OEMs
  2. Leveraged Server products for new Storage wins
  3. Partner/Acquisition to provide RAID Stack and Management SW

- Flextronics Vertical Opportunities:
  - PSU, PCB, metals



Delivery of world-class products driving strong storage business growth

Competition

	NB	DT / Nettop	AIO	Server	Storage	Computing Revenue (2008, $B) *
FOXCONN	HP, Dell	Apple	Apple	Dell, HP, IBM	Dell, HP	**$26.4**
Quanta Computer	Acer, Dell, HP, Lenovo, Apple	Dell, HP	Lenovo		LSI	**$19.9**
wistron	Acer, Dell, HP, Lenovo	Dell, HP	HP, Lenovo	Dell, HP		**$12.0**
COMPAL	Acer, Dell, HP, Lenovo					**$11.9**
Pegatron	Asus, Lenovo	Asus, HP				**$11.1**
Inventec	HP		HP	Dell, HP	HP	**$10.9**
JABIL				HP	HP	**$1.8**
MiTAC		Dell, HP		Dell		**$1.5**
FLEXTRONICS	Dell, HP	Dell, Lenovo	Lenovo	Dell, HP, IBM, Sun	Dell, LSI, Sun, Xyratex	**$5.5**

*** Computing Revenue (NB, DT, Server, Storage),** IDC, Q2 2009

Customers – Q3 FY09

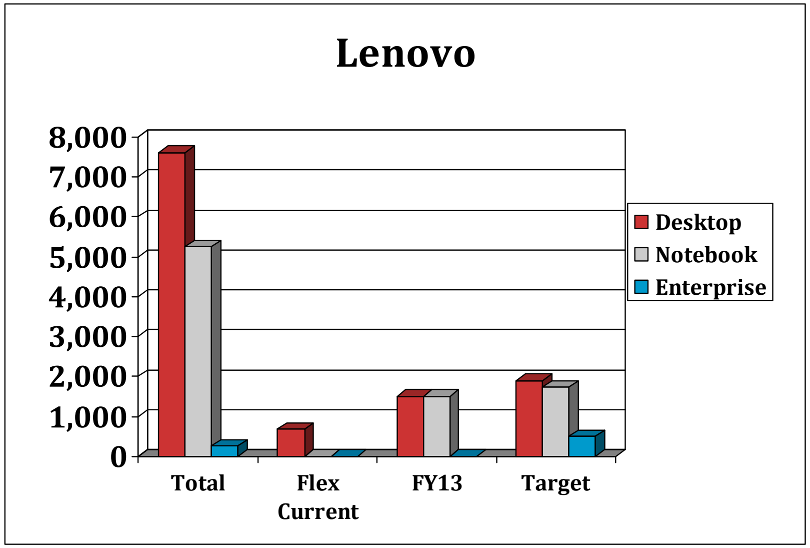
	NB	DT/ Nettop	AIO	Gaming	Server	Storage
DELL		X		X	X	
hp	X				X	
lenovo		X				
IBM					X	
NEC					X	X
FUJITSU					X	
Rackable systems sgi						
LSI						X
Haier						
ViewSonic						
AVATAR Olivetti						
GENERAL DYNAMICS						

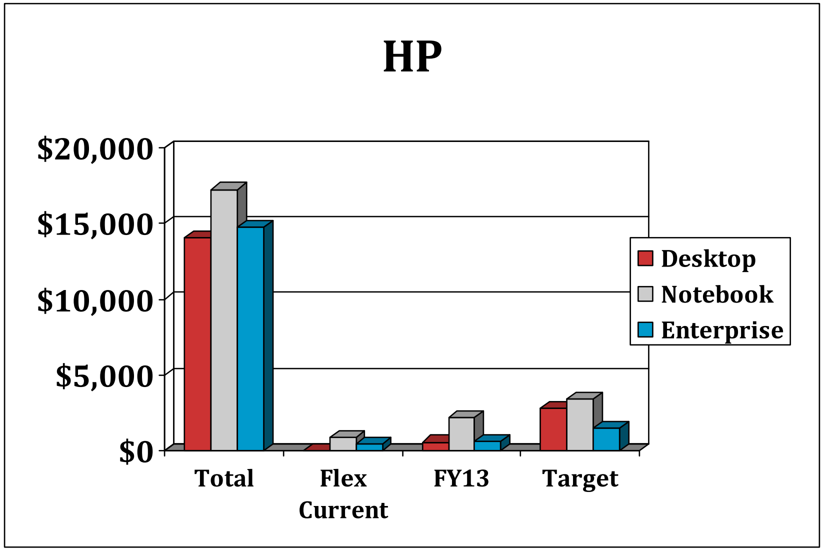
Customers – Today (Q3 FY10)

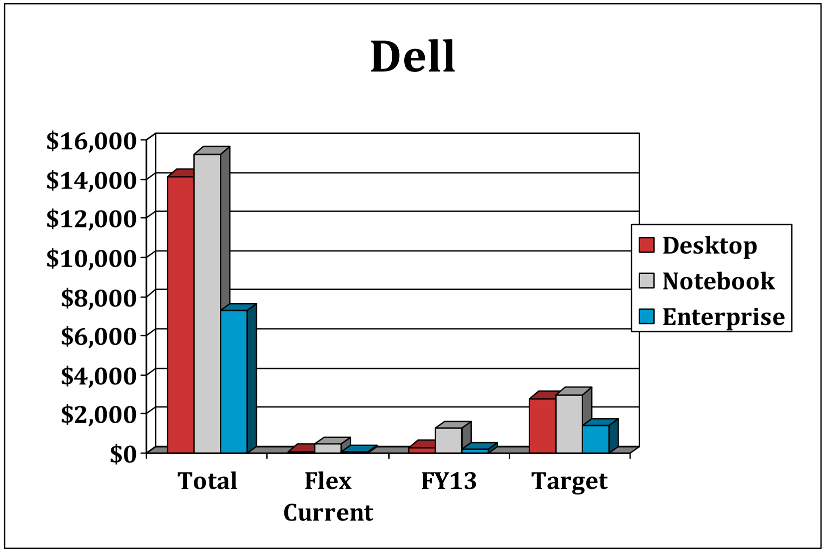
	NB	DT/ Nettop	AIO	Gaming	Server	Storage
DELL	X	X		X	X	X
hp	X				X	
lenovo		X	X			
IBM					X	
NEC					X	X
FUJITSU					X	
Rackable systems sgi					X	
LSI						X
Haier			X			
ViewSonic		X	X			
AVATAR Olivetti			X			
GENERAL DYNAMICS		X				

Major ODM Customers

- Top three ODM Customers:
  - •FY09 = $1.35B
  - •FY10 = $2.20B
  - •FY11 = $4.15B
- Targeted Plan for FY13 is $8.2B
- Target Rev at 15-25% customer share is more than $19.0B







Notes:

- Customer data represents annualized estimated COGS.
- Current Revenue is based on FY 2Q11 run rate

Computing Summary

- Geographic scale and size a huge advantage
- We compete on innovation and integration using all Flex divisions
- ODM market share at 3% -- massive opportunity for future growth

This is the biggest and most outsourced market in the world today and we are excited about the next 5 years

FLEX Computing

Thank you