



Q4 FY24

# Earnings Presentation

Quarter End: March 31, 2024

Earnings Announcement: May 1, 2024



# Risks and Non-GAAP Disclosures

This presentation contains forward-looking statements within the meaning of U.S. securities laws, including statements related to our future financial results and our guidance for future financial performance (including expected revenues, operating income, margins and earnings per share). These forward-looking statements are based on current expectations, forecasts and assumptions involving risks and uncertainties that could cause the actual outcomes and 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 we may not achieve our expected future operating results; the effects that the current and future macroeconomic environment, including inflation, slower growth or recession, a potential U.S. federal government shutdown, and currency exchange rate fluctuations, could have on our business and demand for our products; supply chain disruptions, manufacturing interruptions or delays, or the failure to accurately forecast customer demand; the impact of fluctuations in the pricing or availability of raw materials and components, labor and energy, and logistical constraints; risks related to the recently completed spin-off of Nexttracker, and the transactions related thereto, including the qualification of these transactions for their intended tax treatment; risks associated with acquisitions and divestitures, including the possibility that we may not fully realize their projected benefits; geopolitical risks, including impacts from the termination and renegotiation of international trade agreements and trade policies, the ongoing conflicts between Russia and Ukraine and between Israel and Hamas, disruptions caused by the attacks on shipping vessels in the Red Sea, or an escalation of sanctions, tariffs or other trade tensions between the U.S. and China or other countries, any of which could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; the effects that current and future credit and market conditions could have on the liquidity and financial condition of our customers and suppliers, including any impact on their ability to meet their contractual obligations to us and our ability to pass through costs to our customers; the challenges of effectively managing our operations, including our ability to control costs and manage changes in our operations; hiring and retaining key personnel; litigation and regulatory investigations and proceedings; our compliance with legal and regulatory requirements; changes in laws, regulations, or policies that may impact our business, including those related to climate change; the possibility that benefits of the Company's restructuring actions may not materialize as expected; that the expected revenue and margins from recently launched programs may not be realized; our dependence on industries that continually produce technologically advanced products with short product life cycles; the short-term nature of our customers' commitments and rapid changes in demand may cause supply chain issues, excess and obsolete inventory, and other issues which adversely affect our operating results; our dependence on a small number of customers; our industry is extremely competitive; we may be exposed to financially troubled customers or suppliers; the success of certain of our activities depends on our ability to protect our intellectual property rights and we may be exposed to claims of infringement or breach of license agreements; a breach of our IT or physical security systems, or violation of data privacy laws, may cause us to incur significant legal and financial exposure and disrupt our operations; physical and operational risks from natural disasters, severe weather events, or climate change; our ability to meet environmental, social and governance expectations or standards or achieve sustainability goals; we may be exposed to product liability and product warranty liability; that recently proposed changes or future changes in tax laws in certain jurisdictions where we operate could materially impact our tax expense; and the impact and effects on our business, results of operations and financial condition of a public health issue, including a pandemic, or catastrophic event.

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 most recent Annual Report on Form 10-K and in our subsequent filings with the U.S. Securities and Exchange Commission. Flex assumes no obligation to update any forward-looking statements, which speak only as of the date they are made.

Please refer to the appendix section of this presentation for reconciliation of the Non-GAAP financial measures to the most directly comparable GAAP measures. If this presentation references historical non-GAAP financial measures, these measures are located on the "Investor Relations" section of our website, [www.flex.com](http://www.flex.com) along with the required reconciliation to the most comparable GAAP financial measures.

The figures presented in this presentation have been rounded. This may lead to individual values not adding up to the totals presented.

The following business segment acronyms will be used throughout this presentation:

<b>Flex Reliability Solutions</b>	<b>Automotive:</b> autonomous, connectivity, electrification, and smart technologies. <b>Health Solutions:</b> medical devices, medical equipment, and drug delivery. <b>Industrial:</b> capital equipment, industrial devices, renewables, grid edge, and power systems.	<b>Flex Agility Solutions</b>	<b>CEC:</b> data infrastructure, edge infrastructure, and communications infrastructure. <b>Lifestyle:</b> appliances, consumer packaging, floorcare, micro mobility, and audio. <b>Consumer Devices:</b> mobile and high velocity consumer devices.
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# Q4 key financials

	Q4FY23	Q4FY24
FLEX		
Revenue	\$6,984M	<b>\$6,169M</b>
Adj. Gross Profit / Margin	\$492M / 7.0%	<b>\$532M / 8.6%</b>
Adj. Operating Income / Margin	\$293M / 4.2%	<b>\$333M / 5.4%</b>
Adj. Earnings Per Share	\$0.44	<b>\$0.57</b>
GAAP Earnings Per Share	\$0.30	<b>\$0.93</b>

Results reflect continuing operations, excluding Nextracker.  
See Appendix for GAAP to non-GAAP reconciliations.

## Market trends

CLOUD / AI  
demand strength continues

AUTOMOTIVE  
strength driven by increasing  
content in a diversified portfolio

## Flex execution

Q4  
Record Flex, Reliability and Agility  
adj. operating margins

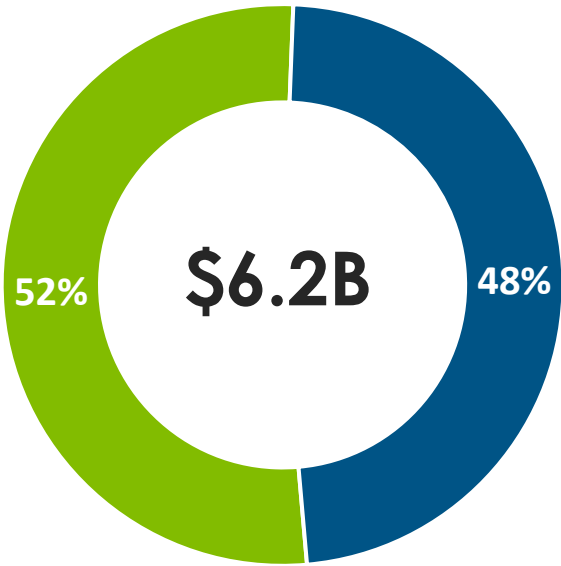
FY24  
Record Flex, Reliability and Agility  
annual adj. operating margins



# Q4 segment performance

	REVENUE <sup>A</sup>		ADJ. OPERATING INCOME		ADJ. OPERATING MARGIN	
	(\$B)	Y/Y GROWTH	(\$M)	Y/Y GROWTH	%	Y/Y CHANGE
RELIABILITY						
	\$2.9	(10%)	\$171	21%	5.8%	140 bps
AGILITY						
	\$3.2	(14%)	\$181	6%	5.6%	100 bps
CORPORATE SERVICES AND OTHER <sup>B</sup>	--	--	(\$19)	--	--	--
TOTAL	\$6.2	(12%)	\$333	14%	5.4%	120 bps

TOTAL FLEX REVENUE <sup>C</sup>



A. Amounts may not sum due to immaterial intersegment eliminations not presented separately.  
 B. Corporate Services and Other includes centralized administrative costs that are not included in the assessment of the performance of each of the identified segments.  
 C. Percentages may not foot due to rounding.  
 See Appendix for GAAP to non-GAAP reconciliations.

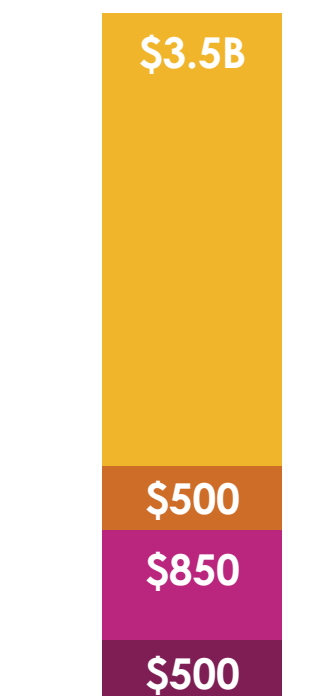
# FY24 performance

	FY23	FY24	Y/Y GROWTH	ADJ. OP MARGIN
<b>FLEX REVENUE<sup>A</sup></b>	<b>\$28.5B</b>	<b>\$26.4B</b>	<b>(7%)</b>	
Adj. Gross Profit / Margin	\$2,028M / 7.1%	\$2,060M / 7.8%	2%	
Adj. Operating Income / Margin	\$1,232M / 4.3%	\$1,267M / 4.8%	3%	
Adj. Earnings Per Share	\$1.93	\$2.15	11%	
GAAP Earnings Per Share	\$1.48	\$1.98	34%	
<b>RELIABILITY REVENUE</b>	<b>\$12.7B</b>	<b>\$12.5B</b>	<b>(2%)</b>	<b>5.3%</b>
Automotive	\$3.6B	\$3.8B	6%	
Health Solutions	\$2.6B	\$2.7B	3%	
Industrial	\$6.5B	\$6.0B	(8%)	
<b>AGILITY REVENUE</b>	<b>\$15.8B</b>	<b>\$13.9B</b>	<b>(12%)</b>	<b>4.8%</b>
CEC	\$9.2B	\$8.6B	(7%)	
Lifestyle	\$4.5B	\$3.8B	(17%)	
Consumer Devices	\$2.1B	\$1.6B	(24%)	

A: Total revenue may not sum due to immaterial inter-segment eliminations not presented separately.  
Results reflect continuing operations, excluding Nexttracker.  
See Appendix for GAAP to non-GAAP reconciliations.

## NEXTRACKER VALUE CREATION (\$M)

- 1/24 tax-free distribution to shareholders
- 7/23 NXT IPO follow-on
- 2/23 NXT IPO
- 2/22 TPG transaction

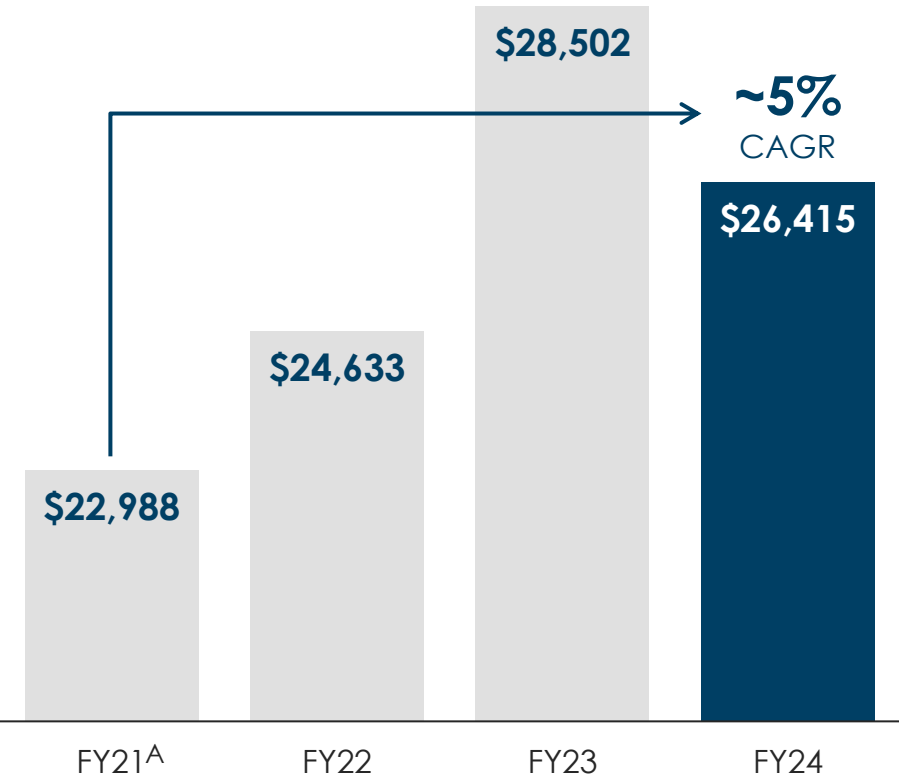




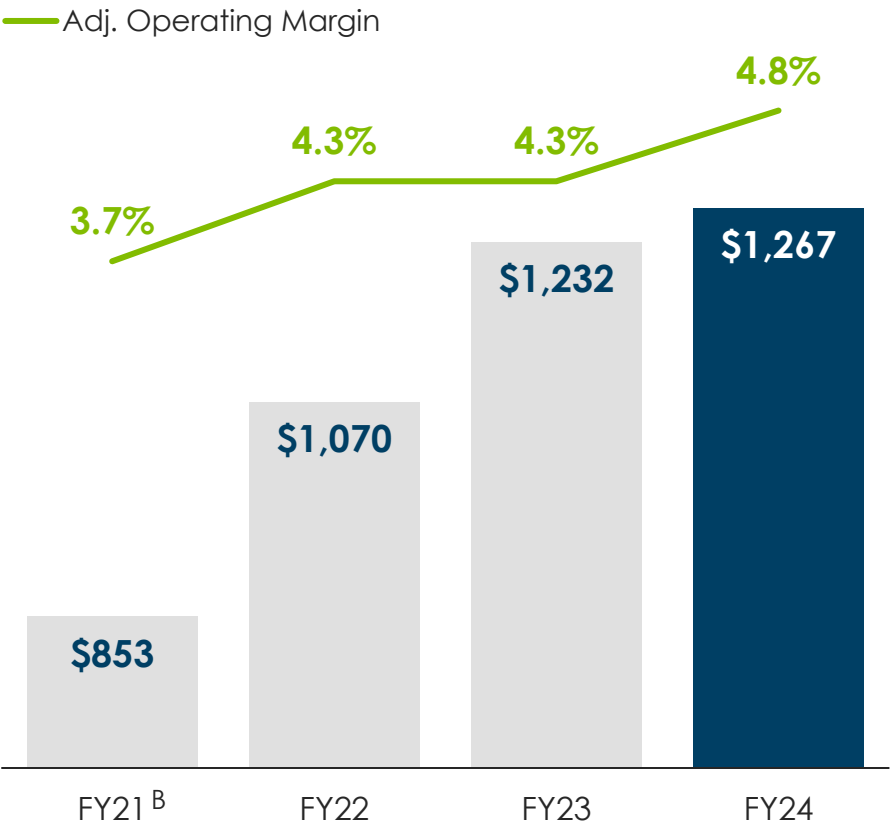
# Core Flex

Delivering margin expansion and EPS growth through the cycle

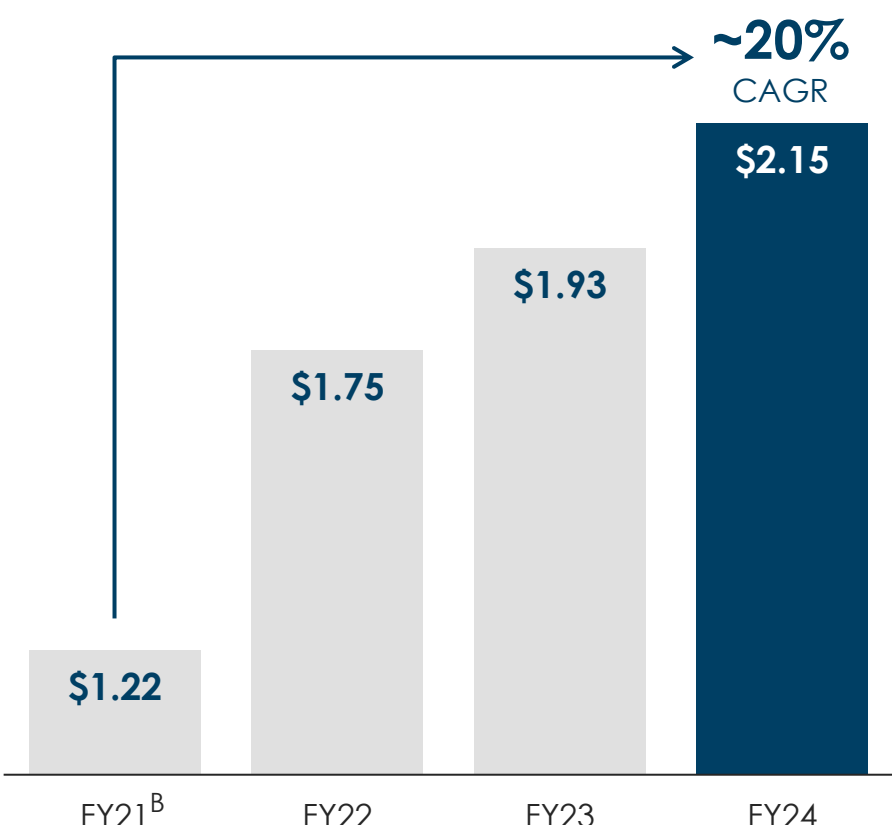
REVENUE (\$M)



ADJ. OPERATING INCOME (\$M)



ADJ. EARNINGS PER SHARE



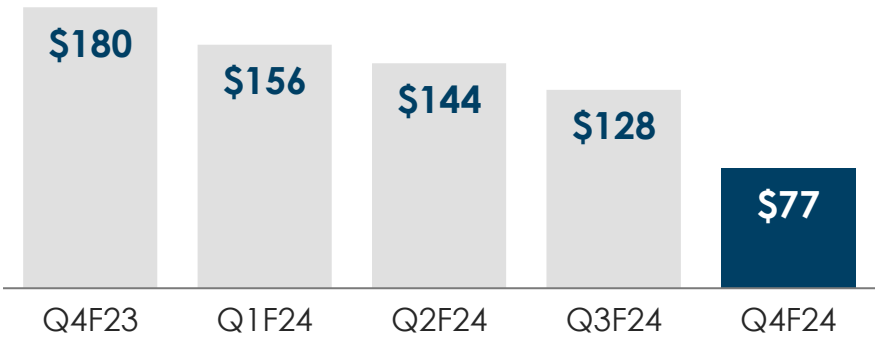
~20% EPS CAGR through the cycle

A. FY21 equates to FY21 Total Flex Revenue minus \$1.2B in Revenue from Nexttracker.  
B. FY21 Total Flex adjusted operating income and adjusted earnings per share have been adjusted to exclude \$178m of Nexttracker income. See Flex FY21 web financials for reconciliation of FY21 Total Flex adjusted operating income and adjusted earnings per share.  
See Appendix for GAAP to non-GAAP reconciliations.

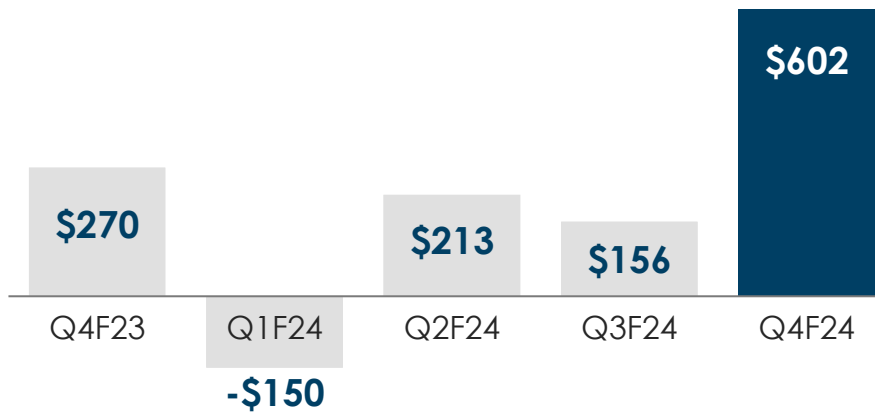
# Cash flow overview

(\$M)	Q4F24	FY24
<b>GAAP NET INCOME</b>	<b>\$395</b>	<b>\$1,245</b>
Depreciation, Amortization and other Impairment Charges	147	537
Change in Working Capital and other, net	137	(456)
<b>OPERATING CASH FLOW</b>	<b>679</b>	<b>1,326</b>
Capital expenditures, net <sup>A</sup>	(77)	(505)
<b>ADJ. FREE CASH FLOW<sup>B</sup></b>	<b>602</b>	<b>821</b>
Payments for Share Repurchases	(517)	(1,298)
Other Investing, Financing, and FX, net	(375)	(343)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS<sup>B</sup></b>	<b>(\$290)</b>	<b>(\$820)</b>

CAPITAL EXPENDITURES, NET<sup>A</sup> (\$M)



ADJ. FREE CASH FLOW (\$M)



A. Capital Expenditures, net is calculated as purchases of property and equipment minus proceeds from the disposition of property and equipment.  
 B. Amounts may not sum due to rounding.  
 See Appendix for GAAP to non-GAAP reconciliations.



# FY25 revenue expectations

## FY25 expectations

RELIABILITY	Down low-single-digit to up low-single-digit
Automotive	New ramps and content gains driving above market growth
Health Solutions	Medical device demand strong, but muted life sciences and hospital capex
Industrial	AI driving growth in data center power, uncertain recovery timing in core industrial and renewables
AGILITY	Flat to down mid-single-digit
CEC	Cloud remains strong, enterprise IT and network spending recovery timing uncertain
Lifestyle	High-end durable goods market soft, but strong expansion in value-added services
Consumer Devices	Consumer end-markets remain soft, executing on cost management



# Q1 FY25 guidance

Revenue

**\$5.6B - \$6.2B**

Adj. operating income<sup>A</sup>

**\$240M - \$280M**

GAAP \$130M - \$170M

Adj. earnings per share<sup>B</sup>

**~ \$0.37 - \$0.45**

GAAP \$0.11 - \$0.19

Interest expense

**\$53M**

Adj. Income Tax Rate

**19%**

Weighted avg. shares outstanding

**~ 415M**

A. Adjusted operating income excludes approximately \$63 million restructuring charges, \$30 million for stock-based compensation expense, and \$16 million for intangible amortization, compared to GAAP operating income.  
B. Adjusted earnings per share excludes \$0.16 for restructuring charges, \$0.07 for stock-based compensation expense, and \$0.03 for net intangible amortization, compared to GAAP earnings per share

# Financial guidance for FY2025



**\$25.4 - \$26.4B** revenue



**5.2% - 5.4%** adj. operating margins<sup>A</sup>



**\$2.30 - \$2.50** adj. earnings per share<sup>B</sup>



**\$800M+** adj. free cash flow

- Macro headwinds through CY24 likely weigh on multiple end-markets
- Growth in key end-markets: cloud, power, auto, medical devices
- Rising global tax rates
- Further efficiency gains
- Maintaining current capital allocation priorities

A. Adjusted operating margin does not include the impact of approximately 0.5% for stock-based compensation, 0.4% for restructuring charges, and 0.2% for intangible amortization when compared to GAAP operating margin.

B. Adjusted earnings per share excludes \$0.31 for stock-based compensation expense, \$0.13 for net intangible amortization and \$0.25 for restructuring charges, included in GAAP earnings per share.

# Flex forward value proposition

Our competitive advantages have uniquely positioned us  
**Creating shareholder value through profitable revenue and EPS growth, margin expansion and cash generation.**

1

**Aligned with strong macro and secular drivers,** focused on large, high-value markets

2

**Created differentiation** through cross-industry expertise, capabilities, services and global footprint

3

**Expanding technical and manufacturing capabilities,** to drive efficiency, position for the future

4

**Solving increasing complexity** to create value for our customers, leading to new wins, deeper relationships





# Thank you.

For more information, please  
visit [investors.flex.com](https://investors.flex.com)

# Appendix



# Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter-ended March 31, 2024		Quarter-ended December 31, 2023		Quarter-ended March 31, 2023		Quarter-ended December 31, 2022		Year-ended March 31, 2024		Year-ended March 31, 2023	
(\$ in Millions)		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue		% of revenue
GAAP gross profit	\$437	7.1%	\$433	6.7%	\$465	6.7%	\$499	6.9%	\$1,865	7.1%	\$1,976	6.9%
Stock-based compensation expense	7		7		6		6		28		24	
Restructuring charges	74		60		18		5		152		23	
Customer related asset impairment	14		-		-		-		14		-	
Legal and Other	-		-		3		-		1		5	
Non-GAAP gross profit	\$532	8.6%	\$500	7.8%	\$492	7.0%	\$510	7.0%	\$2,060	7.8%	\$2,028	7.1%

For more details on the GAAP to Non-GAAP adjustments for current and historical periods, please refer to the Investor Relations section of our website which includes press releases and summary financials of the respective periods.



# Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter- ended	Quarter- ended	Quarter- ended	Quarter- ended	Year- ended	Year- ended	Year- ended
	March 31, 2024	December 31, 2023	March 31, 2023	December 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
(\$ in Millions)							
GAAP operating income	\$159	\$198	\$223	\$259	\$853	\$1,017	\$890
Intangible Amortization	16	17	20	20	70	81	60
Stock-based compensation expense	27	26	25	26	113	101	88
Restructuring charges	75	73	22	5	172	27	15
Customer related asset impairment	14	-	-	-	14	-	-
Legal and other	42	-	3	-	45	6	17
Non-GAAP operating income	\$333	\$314	\$293	\$310	\$1,267	\$1,232	\$1,070
GAAP operating margin	2.6%	3.1%	3.2%	3.6%	3.2%	3.6%	3.6%
Non-GAAP operating margin*	5.4%	4.9%	4.2%	4.3%	4.8%	4.3%	4.3%

\*We calculate our Non-GAAP operating margin as non-GAAP operating income divided by revenue for the respective periods.

For more details on the GAAP to Non-GAAP adjustments for current and historical periods, please refer to the Investor Relations section of our website which includes press releases and summary financials of the respective periods.



# Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter- ended March 31, 2024	Quarter- ended December 31, 2023	Quarter- ended March 31, 2023	Quarter- ended December 31, 2022	Year- ended March 31, 2024	Year- ended March 31, 2023	Year- ended March 31, 2022
(\$ in Millions, except for EPS)							
GAAP net income from continuing operations	\$395	\$129	\$139	\$173	\$872	\$683	\$872
Intangible amortization	16	17	20	20	70	81	60
Stock-based compensation expense	27	26	25	26	113	101	88
Restructuring charges	75	73	22	5	172	27	15
Customer related asset impairment	14	-	-	-	14	-	-
Legal and other	42	-	3	-	45	6	17
Interest and other, net	-	2	-	-	11	4	(135)
Equity in earnings (losses) of unconsolidated affiliates	(6)	-	(1)	-	(6)	(1)	(32)
Adjustments for taxes	(319)	(13)	(7)	(3)	(344)	(11)	(38)
Non-GAAP net income from continuing operations	\$244	\$234	\$201	\$221	\$947	\$890	\$847
Diluted earnings per share from continuing operations:							
GAAP	\$0.93	\$0.30	\$0.30	\$0.38	\$1.98	\$1.48	\$1.81
Non-GAAP	\$0.57	\$0.54	\$0.44	\$0.48	\$2.15	\$1.93	\$1.75
Diluted shares used in computing per share amounts							
	425	436	459	459	441	462	483

For more details on the GAAP to Non-GAAP adjustments for current and historical periods, please refer to the Investor Relations section of our website which includes press releases and summary financials of the respective periods.



# Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter- ended	Year- ended
	March 31, 2024	March 31, 2024
(\$ in Millions)		
Segment income:		
Flex Agility Solutions	\$181	\$669
Flex Reliability Solutions	171	666
Corporate and Other*	(19)	(68)
Total segment income:	\$333	\$1,267
Operating margin**:		
Flex Agility Solutions	5.6%	4.8%
Flex Reliability Solutions	5.8%	5.3%

	Quarter- ended	Year- ended
	March 31, 2024	March 31, 2024
(\$ in Millions)		
<b>Reconciliation of segment income</b>		
GAAP Operating Income	\$159	\$853
Intangible amortization	16	70
Stock-based compensation expense	27	113
Restructuring charges	75	172
Customer related asset impairment	14	14
Legal and other	42	45
Total segment income	\$333	\$1,267

\*Corporate and Other includes centralized administrative costs that are not included in the assessment of the performance of each of the identified segments.

\*\*We calculate our segment operating margin as segment income divided by revenue for respective periods.

For more details on the GAAP to Non-GAAP adjustments for current and historical periods, please refer to the Investor Relations section of our website which includes press releases and summary financials of the respective periods.



# Appendix: Reconciliation of GAAP to Non-GAAP Measures

(\$ in Millions)	Quarter- ended March 31, 2024	Quarter- ended December 31, 2023	Quarter- Ended September 29, 2023	Quarter- Ended June 30, 2023	Quarter- ended March 31, 2023	Quarter- ended December 31, 2022
Net cash provided by operating activities	\$679	\$284	\$357	\$6	\$450	\$359
Net capital expenditures	(77)	(128)	(144)	(156)	(180)	(157)
Adjusted free cash flow*	\$602	\$156	\$213	\$(150)	\$270	\$202

(\$ in Millions)	12-Months ended March 31, 2024
Net cash provided by operating activities	\$1,326
Net capital expenditures	(505)
Adjusted free cash flow*	\$821

\*Adjusted free cash flow is calculated as operating cash flow for the quarter less purchases of property and equipment, net of proceeds from the disposition of property equipment, or net capital expenditures. Adjusted free cash flow is a non-GAAP financial measure and may not be defined and calculated by other companies in the same manner.

For more details on the GAAP to Non-GAAP adjustments for current and historical periods, please refer to the Investor Relations section of our website which includes press releases and summary financials of the respective periods.

