



Results for Q4 and Fiscal 2022

Earnings Announcement: May 4, 2022

Quarter Ended: March 31, 2022

Risks and Non-GAAP Disclosures

This presentation 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 we may not achieve our expected future operating results, including margins; the effects that the current macroeconomic environment, including inflation, could have on our business and demand for our products; the impact of component shortages fluctuations in the pricing or availability of raw materials, and logistical constraints, including their impact on our revenues; uncertainties and risks relating to our ability to successfully complete a transaction for our Nextracker business, including the potential initial public offering of our Nextracker business, including the possibility that we may not be able to consummate the transaction on the expected timeline or at all, or that we will achieve the anticipated benefits, including tax efficiencies, of the transaction; the possibility that we may not fully realize the projected benefits of the Anord Mardix acquisition, including our expectation that the acquisition will be accretive to our fiscal year 2023 adjusted earnings per share; geopolitical risk, including the termination and renegotiation of international trade agreements and trade policies, including the impact of tariffs and related regulatory actions; the war in Ukraine and escalating geopolitical tensions as a result of Russia's invasion of Ukraine, including the imposition of economic sanctions on Russia which could lead to the disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; the effects of the COVID-19 pandemic on our business, results of operations and financial condition; the effects that current 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; the challenges of effectively managing our operations, including our ability to control costs, and manage changes in our operations; 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 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 achieve sustainability goals; we may be exposed to product liability and product warranty liability; and that recently proposed changes or future changes in tax laws in certain jurisdictions where we operate could materially impact our tax expense. In addition, the COVID-19 pandemic increases the likelihood and potential severity of many of the foregoing risks.

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 annual report on Form 10-K for the fiscal year ended March 31, 2021 and in subsequent quarterly reports on Form 10-Q. The forward-looking statements in this presentation are based on current expectations and Flex assumes no obligation to update these forward-looking statements. Our share repurchase program does not obligate the Company to repurchase a specific number of shares and may be suspended or terminated at any time without prior notice.

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 along with the required reconciliation to the most comparable GAAP financial measures. Certain forward-looking non-GAAP financial measures are not reconciled to the most directly comparable GAAP measures as the reconciling information is not available without an unreasonable effort.

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:



- Automotive**
autonomous, connectivity, electrification and smart technologies.
- Health Solutions**
medical devices, medical equipment and drug delivery.
- Industrial**
capital equipment, industrial devices and renewables.



- Communications, Enterprise and Cloud (CEC)**
data infrastructure, edge infrastructure and communications infrastructure.
- Lifestyle**
appliances, consumer packaging, floorcare, micro mobility, and audio.
- Consumer Devices**
mobile and high velocity consumer devices.





Business Update

Revathi Advaiti
Chief Executive Officer

Fourth Quarter and Full Year Highlights

Revenue	Adj. Operating Income	Adj. Net Income	Adj. Earnings Per Share	
FOURTH QUARTER				
\$6.9B	\$295M	\$244M	\$0.52	<ul style="list-style-type: none"> • Record adjusted EPS • Revenue growth of 9.3% year-over-year / 3.5% quarter-over-quarter • Strength in Next-Gen Auto, Industrial, and CEC
FISCAL YEAR 2022				
\$26B	\$1.2B	\$945M	\$1.96	<ul style="list-style-type: none"> • Record full year adjusted Operating Margins • Record full year EPS on both an adjusted and GAAP basis • Revenue growth of ~8% driven by strategic focus on growth markets and strong execution through macro challenges • Completed synergistic Anord Mardix acquisition • Repurchased record level \$686M of ordinary shares

Our differentiated capabilities strengthen our competitive position in high-growth markets

Driving sustainable growth, margin improvement, and creating shareholder value

Flex Core Portfolio

- Automotive 
- Health Solutions 
- Industrial 
- CEC 
- Lifestyle 
- Consumer Devices 

Investing in high-growth markets

Next generation mobility



Digital healthcare



Cloud expansion



Key markets driving outsized growth

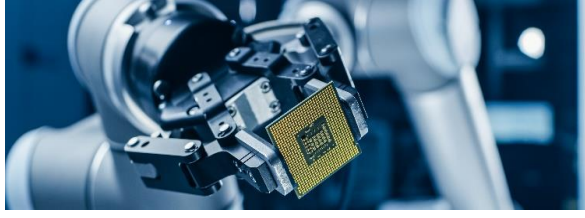
Communications



Internet of Things (IoT)



Robotics



Automation



Renewables and storage



Smart living





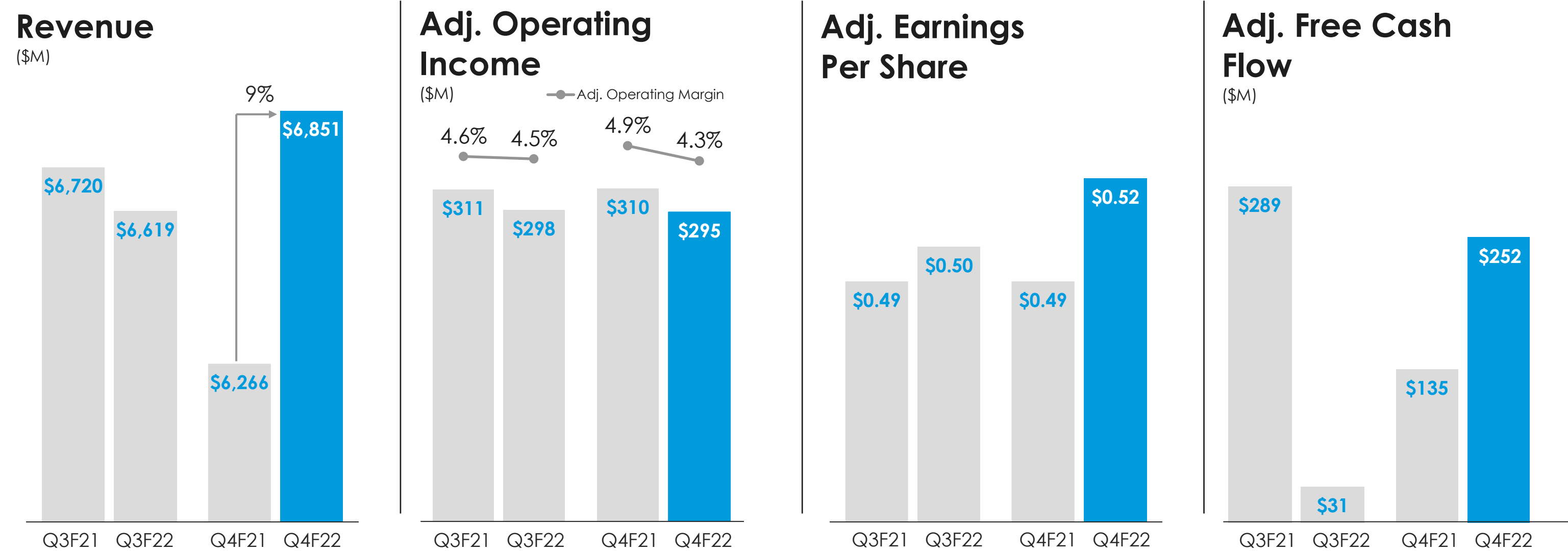
Financial Results

Paul Lundstrom

Chief Financial Officer

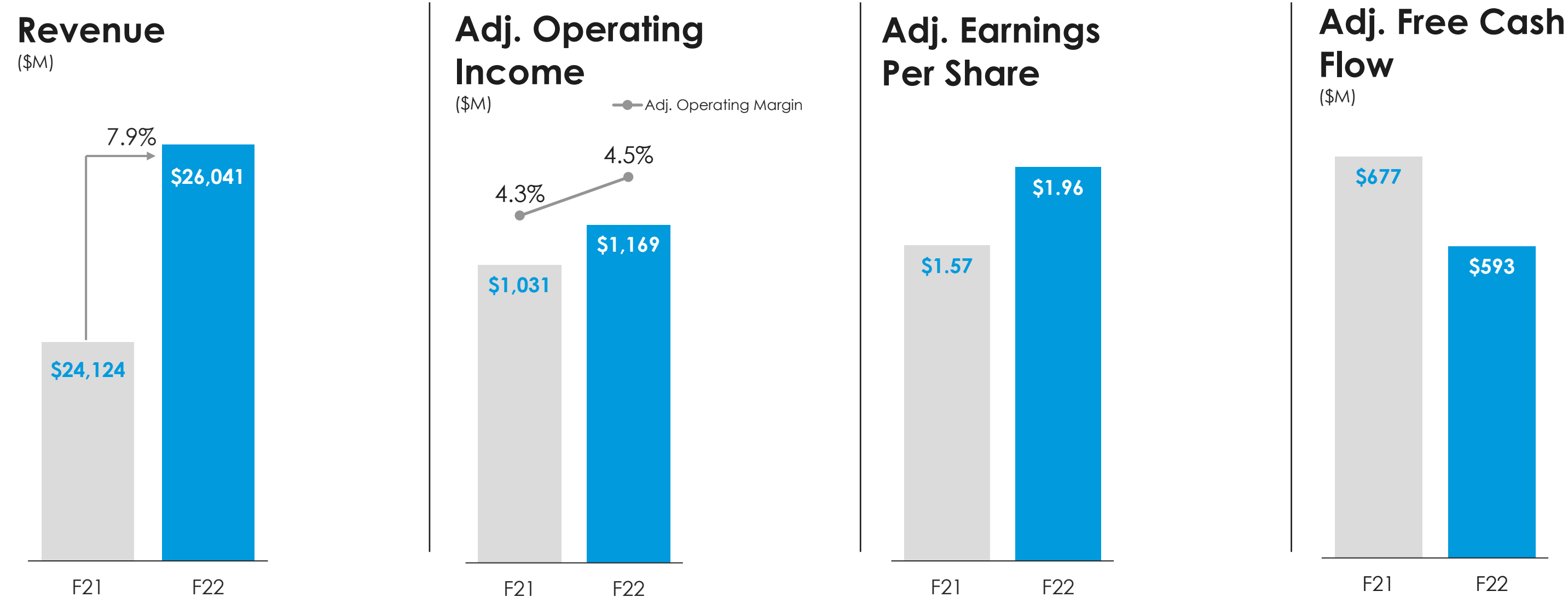
Q4 FY22 Financial Summary

Record adjusted EPS



FY22 Financial Summary

Executing on key growth drivers



Q4 Segment Performance

	Revenue ^A		Adj. Operating Income		Adj. Operating Margin		Key Points
	(\$B)	Y/Y Growth	(\$M)	Y/Y Growth	%	Y/Y Growth	
RELIABILITY	\$2.8	12.3%	\$140	(2.3%)	4.9%	(74 bps)	<ul style="list-style-type: none"> Auto demand remained strong; delivered better on the supply side Improved execution against strong demand in Industrial with some tailwind from Anord Mardix
AGILITY	\$3.6	4.3%	\$152	11.5%	4.2%	27 bps	<ul style="list-style-type: none"> Continued to deliver profitable growth and improve mix Increase in CEC and Lifestyle partially offset by planned decline in Consumer Devices
NEXTRACKER	\$0.4	38.2%	\$22	(53.5%)	5.0%	(9.8 pts)	<ul style="list-style-type: none"> Increased freight and Logistics costs remained a headwind impacting profit margins
CORPORATE SERVICES AND OTHER ^B	--	--	(\$19)	--	--	--	
TOTAL	\$6.9	9.3%	\$295	(4.8%)	4.3%	(64 bps)	

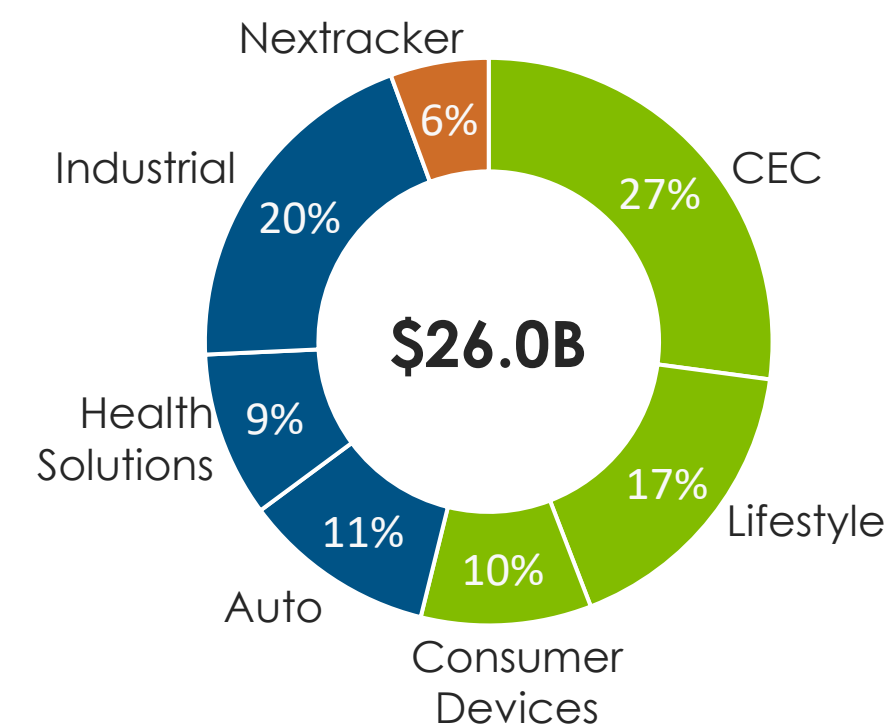
A. Total may not sum due to immaterial inter-segment eliminations not presented separately.

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.

FY22 Business Unit Performance

	Revenue ^A		Adj. Operating Margin	
	(\$B)	Y/Y Growth	%	Y/Y Growth
RELIABILITY	\$10.6	11.7%	5.1%	5 bps
Automotive	\$2.9	15.2%		
Health Solutions	\$2.4	(1.9%)		
Industrial	\$5.2	17.2%		
AGILITY	\$14.0	4.0%	4.3%	100 bps
CEC	\$7.1	2.6%		
Lifestyle	\$4.4	13.7%		
Consumer Devices	\$2.5	(6.7%)		
NEXTRACKER	\$1.5	21.9%	6.2%	(8.7 pts)
Total	\$26.0	7.9%	4.5%	20 bps

Revenue by Business Unit^A



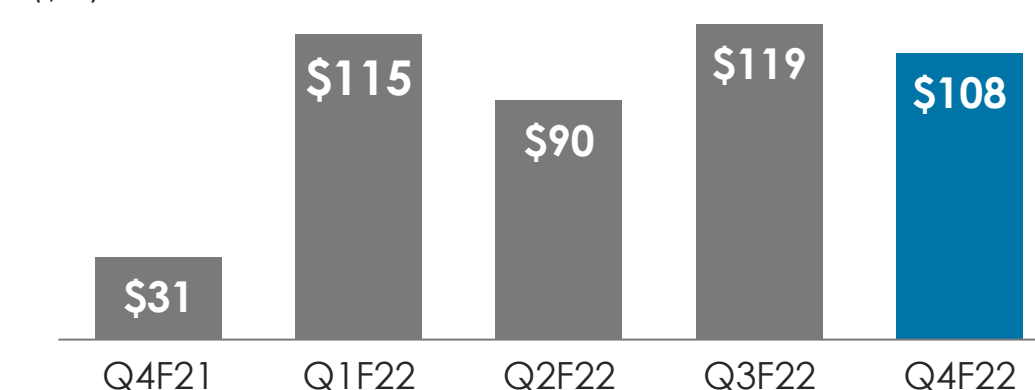
Segment Revenue as % of Total^A

FY21	39%	56%	5%
FY22	41%	54%	6%

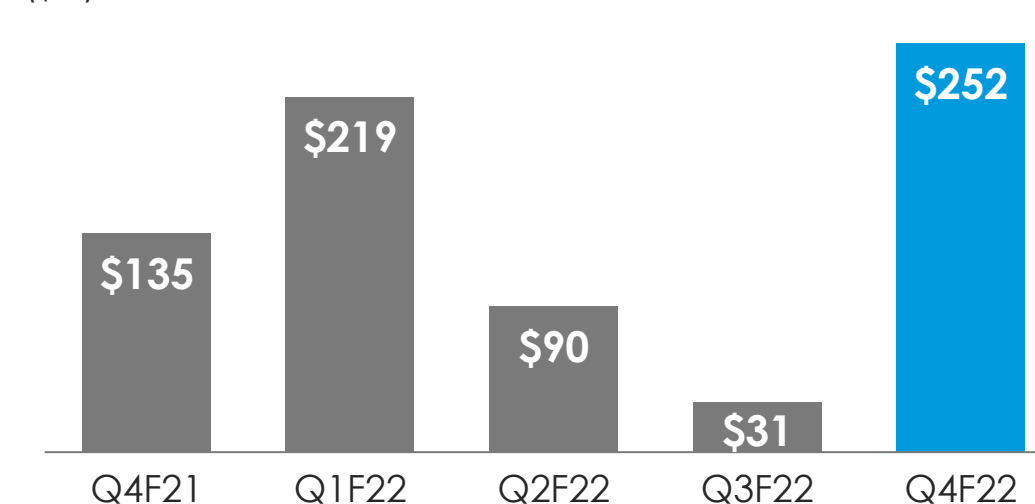
Cash Flow Overview

(\$M)	Q4FY22	FY22
GAAP Net Income	\$168	\$936
Depreciation, Amortization and other Impairment Charges	126	484
Change in Working Capital and other, net	66	(396)
Operating Cash Flow	360	1,024
Capital Expenditures, net ^A	(108)	(431)
Adjusted Free Cash Flow	252	593
Payments for Share Repurchases	(105)	(686)
Other Investing And Financing, net	244	420
Net Change in Cash and Cash Equivalents	\$391	\$327

Capital Expenditures, Net^A



Adjusted Free Cash Flow



A. Capital Expenditures, net is calculated as purchases of property and equipment minus proceeds from the disposition of property and equipment.

See Appendix for GAAP to Non-GAAP reconciliation.

Q1 FY23 Segment Outlook

FLEX RELIABILITY SOLUTIONS



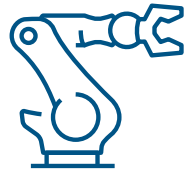
Automotive

- Strong demand driven by new launches in Autonomy and Connectivity, including China
- High-growth Next-Gen Mobility driving rapidly expanding opportunity pipeline



Health Solutions

- Growth led by recovery of elective procedures and large program ramps in medical devices
- Legacy component constraints creating redesign opportunities



Industrial

- Significant new product ramps in Renewables, Production and Packaging, and Data Center Power
- Expansion with existing customers in Test & Measurement, Kiosk and Gaming

FLEX AGILITY SOLUTIONS



CEC

- End-to-end bundled solutions driving growth in Cloud, 5G and Optical
- Strong end market fundamentals and robust customer demand persist



Lifestyle

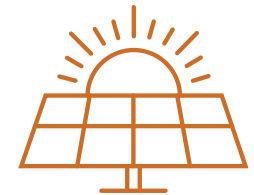
- Global scale enabling growth consistent with ongoing regionalization trends
- Continue to gain share and ramp new business with premium brands



Consumer Devices

- Maintaining disciplined focus on profitable business
- Ongoing supply challenges in high volume consumer products

NEXTRACKER



- US pipeline remains healthy
- Headwinds with US module supply (anti-dumping investigation) and component shortages

Q1 FY23 Financial Guidance

Revenue	Adj. Operating Income ^A	Adj. Earnings per Share ^B
\$6.6 - \$7.0B	\$285 - \$315M GAAP \$235 - \$265M	\$0.44 - \$0.50 GAAP \$0.33 - \$0.39
Other		
INTEREST EXPENSE	ADJ. INCOME TAX RATE	WEIGHTED AVERAGE SHARES OUTSTANDING
\$40 - \$45M	13% - 15%	~471M

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A. Adjusted operating income excludes approximately \$28 million for stock-based compensation, and \$22 million for intangible amortization from GAAP operating income.

B. Adjusted earnings per share excludes \$0.06 for stock-based compensation expense, \$0.04 for net intangible amortization, and \$0.01 for Nextracker LLC series A redeemable preferred units dividends payable in kind included in GAAP earnings per share.

FY23 Financial Guidance

Revenue	Adj. Operating Margin ^A	Adj. Earnings per Share ^B	GAAP Earnings per Share
\$27.7 - \$28.7B	4.7% - 4.9%	\$2.09 - \$2.24	\$1.63 - \$1.78

A. Adjusted operating margin does not include the impact of approximately 0.4% for stock-based compensation, and 0.3% for intangible amortization when compared to GAAP operating margin.
B. Adjusted earnings per share excludes \$0.26 for stock-based compensation expense, \$0.15 for net intangible amortization, and \$0.05 for Nextracker LLC series A redeemable preferred units dividends payable in kind included in GAAP earnings per share.



**Positioned at
the forefront
of evolving
industry
opportunities**

Flex's competitive advantages bolster our right to win

Established market presence

built on extensive technological knowledge
and domain expertise

Differentiated capabilities

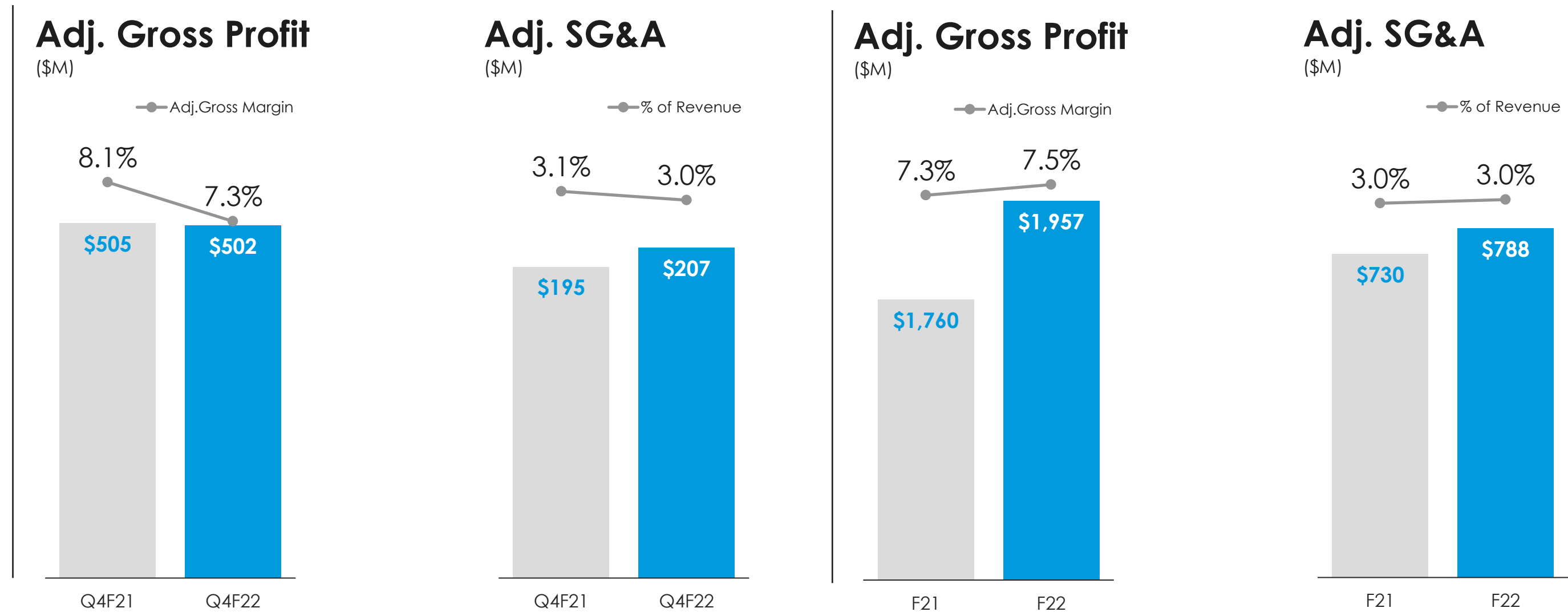
provide significant value for our customers

Global footprint

enhanced resiliency with unmatched scale,
diversified supply chain, and flexible production

Appendix

Appendix: Q4 / FY22 Financial Highlights



Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter- ended	Quarter- ended	Quarter- ended	Quarter- ended	Year- ended	Year- ended
	March 31, 2022	December 31, 2021	March 31, 2021	December 31, 2020	March 31, 2022	March 31, 2021
(\$ in Millions)						
GAAP operating income	\$228	\$251	\$282	\$240	\$972	\$795
Intangible Amortization	22	15	15	16	68	62
Stock-based compensation expense	23	25	18	25	91	79
Restructuring charges	4	2	26	30	15	101
Legal and other	18	5	(30)	-	23	(6)
Non-GAAP operating income	\$295	\$298	\$310	\$311	\$1,169	\$1,031
GAAP operating margin	3.3%	3.8%	4.5%	3.6%	3.7%	3.2%
Non-GAAP operating margin*	4.3%	4.5%	4.9%	4.6%	4.5%	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		Quarter-ended		Year-ended		Year-ended	
	March 31, 2022		March 31, 2021		March 31, 2022		March 31, 2021	
(\$ in Millions)*		% of revenue		% of revenue		% of revenue		% of revenue
GAAP gross profit	\$505	7.4%	\$509	8.1%	\$1,932	7.4%	\$1,687	7.0%
Stock-based compensation expense	6		5		24		20	
Restructuring charges	4		25		15		88	
Legal and Other	(13)		(33)		(14)		(35)	
Non-GAAP gross profit	\$502	7.3%	\$505	8.1%	\$1,957	7.5%	\$1,760	7.3%
GAAP SG&A expenses	\$254	3.7%	\$211	3.4%	\$892	3.4%	\$817	3.4%
Stock-based compensation expense	(16)		(13)		(67)		(59)	
Legal and other	(31)		(3)		(37)		(29)	
Non-GAAP SG&A expenses	\$207	3.0%	\$195	3.1%	\$788	3.0%	\$730	3.0%

*Amounts may not sum due to rounding.

Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter- ended	Quarter- ended	Quarter- ended	Quarter- ended	Year- ended	Year- ended
(\$ in Millions, except for EPS)*	March 31, 2022	December 31, 2021	March 31, 2021	December 31, 2020	March 31, 2022	Marc 31, 2021
GAAP net income attributable to Flex Ltd.	\$168	\$227	\$240	\$208	\$936	\$613
Intangible amortization	22	15	15	16	68	62
Stock-based compensation expense	23	25	18	25	91	79
Restructuring charges	4	2	26	30	15	101
Legal and other	18	5	(30)	-	23	(6)
Interest and other, net	6	(18)	1	(25)	(167)	(27)
Paid-in-kind dividend for subsidiary's redeemable preferred units	4	-	-	-	4	-
Adjustments for taxes	(1)	(17)	(21)	(3)	(25)	(28)
Non-GAAP net income	\$244	\$238	\$248	\$251	\$945	\$795
Diluted earnings per share:						
GAAP	\$0.36	\$0.48	\$0.47	\$0.41	\$1.94	\$1.21
NON-GAAP	\$0.52	\$0.50	\$0.49	\$0.49	\$1.96	\$1.57
Diluted shares used in computing per share amounts	471	474	507	508	483	506

*Amounts may not sum due to rounding.

Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter- ended	Year- ended
	March 31, 2022	March 31, 2022
(\$ in Millions)		
Segment income:		
Flex Agility Solutions	\$152	\$605
Flex Reliability Solutions	140	546
Nextracker	22	90
Corporate and Other*	(19)	(72)
Total segment income:	\$295	\$1,169
Operating margin**:		
Flex Agility Solutions	4.2%	4.3%
Flex Reliability Solutions	4.9%	5.1%
Nextracker	5.0%	6.2%

	Quarter- Ended	Year- Ended
	March 31, 2022	March 31, 2022
(\$ in Millions)		
Reconciliation of segment income		
Total segment income	\$295	\$1,169
Intangible Amortization	22	68
Stock-based compensation expense	23	91
Restructuring charges	4	15
Legal and other	18	23
Operating income	\$228	\$972

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

**Segment operating margin is calculated as segment income divided by revenue for respective periods.



Appendix: Reconciliation of GAAP to Non-GAAP Measures

(\$ in Millions)	Quarter- ended March 31, 2022	Quarter- Ended December 31, 2021	Quarter- ended October 01, 2021	Quarter- ended July 02, 2021	Quarter- ended March 31, 2021	Quarter- ended December 31, 2020
Net cash provided by operating activities	\$360	\$150	\$180	\$334	\$161	\$348
Reduction in ABS levels and other	-	-	-	-	5	6
Net capital expenditures	(108)	(119)	(90)	(115)	(31)	(65)
Adjusted free cash flow*	\$252	\$31	\$90	\$219	\$135	\$289

(\$ in Millions)	12-Months Ended March 31, 2022
Net cash provided in operating activities	\$1,024
Net capital expenditures	(431)
Adjusted free cash flow*	\$593

*

*Adjusted free cash flow is calculated as operating cash flow for the quarter less net capital expenditures. In fiscal year 2021, we proactively and strategically reduced the outstanding balance of our ABS programs which is fully paid and wound down as of FY21 year-end. Proceeds from our debt issuance replaced the funding from the ABS programs for working capital purposes. We reduced the balance on this short-term financing products throughout FY21 which had the accounting effect of reducing our cash flow from operations and was excluded from our adjusted free cash flow calculation. Adjusted free cash flow is a non-GAAP financial measure and may not be defined and calculated by other companies in the same manner.





Thank you.

**For more information, please visit
investors.flex.com**

