



Q2 FY26

# Earnings Presentation

Quarter End: September 26, 2025

Earnings Announcement: October 29, 2025



# 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 inflationary pressures, currency volatility, stagflation, slower economic growth or recession, and high or rising interest rates, could have on our business and demand for our products; geopolitical uncertainties and risks, including impacts from trade conflicts, the termination and renegotiation of international trade agreements and trade policies, a further escalation of sanctions, tariffs or other trade tensions between the U.S. and China or other countries, or the ongoing conflicts between Russia and Ukraine and in the Middle East, any of which could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; supply chain disruptions, including those involving suppliers who are sole or primary sources, logistical constraints, 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, including semiconductors, labor and energy; 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; that the expected revenue and margins from recently launched programs may not be realized; the challenges of effectively managing our operations, including our ability to control costs and manage changes in our operations; the possibility that benefits of our restructuring actions may not materialize as expected; 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 adversely affect our operations; risks associated with acquisitions and divestitures, including the possibility that we may not fully realize their projected benefits; hiring and retaining key personnel; that recent changes or future changes in tax laws in certain jurisdictions where we operate could materially impact our tax expense; litigation and regulatory investigations and proceedings; risks related to the spin-off of Nextracker, and the transactions related thereto, including the qualification of these transactions for their intended tax treatment; the impact and effects on our business, results of operations and financial condition of union disputes or other labor disruptions as well as unforeseen or catastrophic events; 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 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, misuse or breach of license agreements; physical and operational risks from natural disasters, severe weather events, or climate change; we may be exposed to product liability and product warranty liability; we may be exposed to financially troubled customers or suppliers; our compliance with legal and regulatory requirements; changes in laws, regulations, or policies that may impact our business, including those related to trade policy and tariffs and climate change; our ability to meet sustainability, including environmental, social and governance, expectations or standards or achieve sustainability goals.

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 certain 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. We present forward looking non GAAP financial measures in our third quarter and full year fiscal 2026 guidance, including adjusted operating income, adjusted operating margin, adjusted income tax rate, and adjusted EPS. We do not provide a reconciliation of these measures to the most directly comparable GAAP measures because the information necessary to do so is not available without unreasonable effort due to the inherent variability, complexity, and uncertainty in forecasting certain items required for such a reconciliation. These items may include restructuring charges and impairment charges, among others. The information that is unavailable could be material and could significantly affect our GAAP results.

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:



**Industrial:** industrial devices, capital equipment, renewables, critical power, and embedded power.  
**Automotive:** compute platforms, power electronics, motion and interface.  
**Health Solutions:** medical devices, medical equipment, and drug delivery.



**CEC:** data center, edge, and communications infrastructure.  
**Lifestyle:** appliances, floorcare, smart living, HVAC, and power tools.  
**Consumer Devices:** including mobile and high-velocity consumer devices.

# Business update

**Revathi Advaiti**

Chief Executive Officer

# Executive summary

## Q2 FINANCIAL PERFORMANCE

Revenue	Adj. operating income	Adj. operating margin	Adj. net income	Adj. earnings per share
\$6.8B	\$409M	6.0%	\$300M	\$0.79

## BUSINESS UPDATES

### FINANCIAL

**Adj. Operating Margins:** 6.0%, +55bps Y/Y, fourth consecutive quarter with margins 6.0%+  
**Adj. Earnings per Share:** +23% Y/Y

### PORTFOLIO

- Sustained momentum across our data center portfolio, advancing next-generation AI power, compute and cooling solutions with key customer and technology partners.
- Growth in Medical Devices, Optical, and Satcom, demonstrating strength across growth markets within our diversified portfolio.
- Encouraging signs of stabilization in Automotive and Renewables, supporting long-term growth outlook

### AWARDS

**TIME:** Named to TIME's World's Best Companies List for third consecutive year


See Appendix for GAAP to non-GAAP reconciliations.





# Power and compute: winning solutions for the data center


Reliability						Agility					
Health Solutions		Automotive		Industrial		CEC		Lifestyle		Consumer Devices	
				Power		Cloud					


ABOVE AND AROUND THE RACK (CRITICAL POWER)

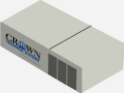
LV & MV switch gear


Power distribution units (PDU)

Remote power panels (RPP)


Busway


Power Pods


Utility control building

Metering


IT HARDWARE


Custom compute


Racks & enclosures


Fully integrated racks


IN THE RACK (EMBEDDED POWER)


Power modules

Vertical Power Delivery (VPD)


Capacitive energy storage


Power shelves

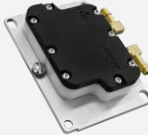
Battery backup units (BBUs)


Power supplies

LIQUID COOLING

SmartPlate™ System Liquid-Assisted Air Cooling

SmartPlate™ cold plate

SmartLid™ cold plate

SmartSense coolant distribution unit (CDU)

Total Data Center Revenue  
\$6.5B FY26E  
+35% Y/Y

# Deploying data centers with speed and scale

Flex's AI Infrastructure Platform accelerates AI data-center deployment by up to 30%, integrating power, cooling, and compute into one scalable solution



## End-to-end infrastructure

Combines compute, power, and cooling for higher performance and reliability.

## Flexible architecture

Works with preferred OEMs, offering adaptability without compromise.

## Lifecycle intelligence

Enables monitoring, analytics, and optimization for smarter operations.

## Product and Partner Spotlight



Partnership with NVIDIA to deploy **modular data center systems** for giga-scale AI factories



Collaborations with NVIDIA & Renesas on in-rack **power products** that improve efficiency



**Modular rack-level CDU** provides scalable liquid cooling for evolving AI and HPC requirements

Unveiled at the OCP Global Summit on Oct 13<sup>th</sup>, 2025

# Financials

**Kevin Krumm**  
Chief Financial Officer

# Key financials

	Q2FY25	Q2FY26
FLEX		
Revenue	\$6,545M	<b>\$6,804M</b>
Adj. Gross Profit / Margin	\$554M / 8.5%	<b>\$632M / 9.3%</b>
Adj. Operating Income / Margin	\$358M / 5.5%	<b>\$409M / 6.0%</b>
Adj. Earnings Per Share	\$0.64	<b>\$0.79</b>

- Strong execution in a dynamic environment
- Robust data center growth across both Cloud and Power end markets
- Solid Y/Y margin expansion supported by favorable mix, strong execution, and disciplined cost management

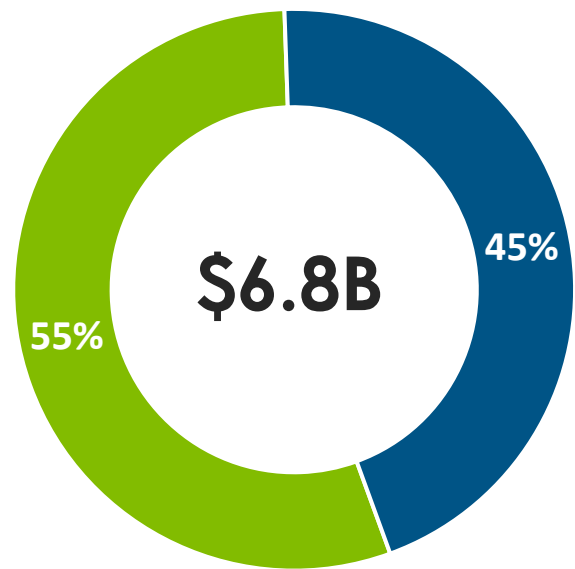
See Appendix for GAAP to non-GAAP reconciliations.



# Segment performance

	REVENUE		ADJ. OPERATING INCOME		ADJ. OPERATING MARGIN	
	(\$B)	Y/Y GROWTH	(\$M)	Y/Y GROWTH	%	Y/Y CHANGE
RELIABILITY	\$3.0	3%	\$197	24%	6.5%	105 bps
AGILITY	\$3.8	4%	\$227	4%	6.0%	(5 bps)
CORPORATE SERVICES AND OTHER <sup>A</sup>	--	--	(\$15)	--	--	--
TOTAL	\$6.8	4%	\$409	14%	6.0%	55 bps

TOTAL FLEX REVENUE

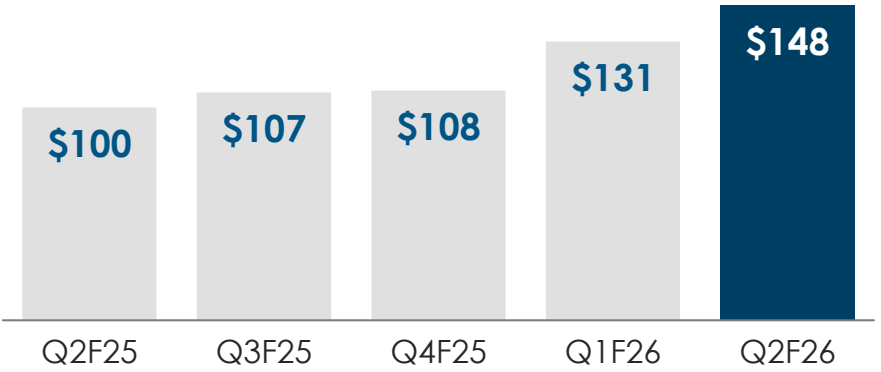


A. Corporate Services and Other includes centralized administrative costs that are not included in the assessment of the performance of each of the identified segments. See Appendix for GAAP to non-GAAP reconciliations.

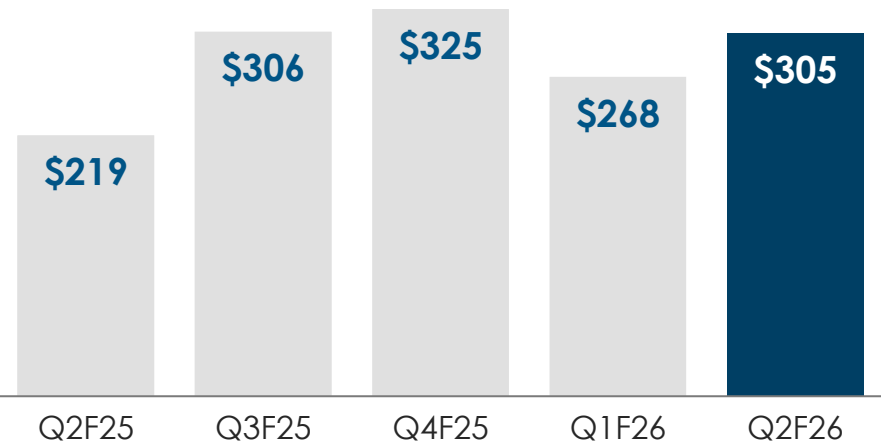
# Cash flow overview

(\$M)	Q2FY26	FYTD
<b>GAAP NET INCOME</b>	<b>\$199</b>	<b>\$391</b>
Depreciation, Amortization and other Impairment Charges	156	298
Change in Working Capital and other, net	98	163
<b>OPERATING CASH FLOW</b>	<b>453</b>	<b>852</b>
Capital expenditures, net <sup>A</sup>	(148)	(279)
<b>FREE CASH FLOW</b>	<b>305</b>	<b>573</b>
Payments for Share Repurchases	(297)	(544)
Other Investing, Financing, and FX, net	2	(69)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>\$10</b>	<b>(\$40)</b>

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

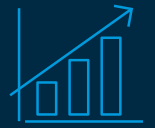


FREE CASH FLOW (\$M)



A. Capital expenditures, net is calculated as purchases of property and equipment minus proceeds from the disposition of property and equipment. See Appendix for GAAP to non-GAAP reconciliations.

# FY26 Guidance



**\$26.7 - \$27.3B** revenue



**6.2% - 6.3%** adj. operating margin



**\$3.09 - \$3.17** adj. earnings per share



**80%+** free cash flow conversion



**\$180 - \$190M** interest and other expense

## Current Market Assumptions & Outlook

- Increasing FY26 revenue, adj. operating margin, and adj. EPS expectations
- Robust data center demand drives strong FY26 revenue performance
- Expect to reach FY27 goal for 6%+ adj. operating margin *one year early*
- Strong contractual protection for tariff pass-throughs
- Stable supply of semiconductors and other components



# FY26 Revenue expectations

Balancing growth in key markets & managing mix against continued macro uncertainty

RELIABILITY	Up low-single digit to up mid-single digit
Industrial	Ongoing strong demand in data center power balanced against soft core industrial; stabilization in renewables
Health Solutions	Steady medical device demand, anticipated improvement in medical equipment in late FY26
Automotive	Broader trends and macro environment remain soft, but stabilizing
AGILITY	Up mid-single digit to up high-single digit
CEC	Continued strong cloud and AI demand, networking share gains
Lifestyle	Recently established strategic manufacturing partnership and program ramps continues to support operations; offset by Mukachevo
Consumer Devices	Expecting softer consumer demand



# Q3 FY26 Guidance

**RELIABILITY** Up mid-single digit to up high-single digit

**AGILITY** Down low-single digit to up low-single digit

Revenue

**\$6.65B - \$6.95B**

Adj. operating income

**\$405M - \$435M**

Adj. earnings per share

**\$0.74 - \$0.80**

Interest and other expense

**\$54M**

Adj. income tax rate

**21%**

Weighted avg. shares outstanding

**377M**



# 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		Quarter-ended		Quarter-ended		Quarter-ended	
	September 26, 2025		June 27, 2025		September 27, 2024		June 28, 2024	
		% of revenue		% of revenue		% of revenue		% of revenue
(\$ in Millions)								
GAAP gross profit	\$614	9.0%	\$572	8.7%	\$531	8.1%	\$471	7.5%
Stock-based compensation expense	9		8		8		8	
Restructuring charges	9		16		15		16	
Non-GAAP gross profit	\$632	9.3%	\$596	9.1%	\$554	8.5%	\$495	7.8%



# Appendix: Reconciliation of GAAP to Non-GAAP Measures

	Quarter- ended	Quarter- ended	Quarter- ended	Quarter- ended
	September 26, 2025	June 27, 2025	September 27, 2024	June 28, 2024
(\$ in Millions)				
GAAP operating income	\$296	\$311	\$297	\$233
Intangible amortization	16	21	16	16
Stock-based compensation expense	37	34	28	32
Restructuring and impairment charges	51	23	17	25
Legal and other	9	6	-	-
Non-GAAP operating income	\$409	\$395	\$358	\$306
GAAP operating margin	4.4%	4.7%	4.5%	3.7%
Non-GAAP operating margin*	6.0%	6.0%	5.5%	4.8%

\*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	Quarter- ended	Quarter- ended
(\$ in Millions, except for EPS)	September 26, 2025	June 27, 2025	September 27, 2024	June 28, 2024
GAAP net income	\$199	\$192	\$214	\$139
Intangible amortization	16	21	16	16
Stock-based compensation expense	37	34	28	32
Restructuring and impairment charges	51	23	17	25
Legal and other	9	6	-	-
Equity in (earnings) losses of unconsolidated affiliates	8	17	-	-
Interest and other, net	(3)	-	(1)	-
Adjustments for taxes	(17)	(19)	(19)	(1)
Non-GAAP net income	\$300	\$274	\$255	\$211
Diluted earnings per share				
GAAP	\$0.52	\$0.50	\$0.54	\$0.34
NON-GAAP	\$0.79	\$0.72	\$0.64	\$0.51
Diluted shares used in computing per share amounts	380	381	400	411

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
	September 26, 2025
(\$ in Millions)	
Segment income:	
Flex Agility Solutions	\$227
Flex Reliability Solutions	197
Corporate and Other*	(15)
Total segment income	\$409
Operating margin**:	
Flex Agility Solutions	6.0%
Flex Reliability Solutions	6.5%

	Quarter- Ended
	September 26, 2025
(\$ in Millions)	
<b>Reconciliation of segment income</b>	
GAAP Operating Income	\$296
Intangible amortization	16
Stock-based compensation expense	37
Restructuring and impairment charges	51
Legal and other	9
Total segment income	\$409

\*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

	Quarter- ended	Quarter- Ended	Quarter- ended	Quarter- ended	Quarter- ended	Quarter- ended
(\$ in Millions)	September 26, 2025	June 27, 2025	March 31, 2025	December 31, 2024	September 27, 2024	June 28, 2024
Net cash provided by operating activities	\$453	\$399	\$433	\$413	\$319	\$340
Net capital expenditures	(148)	(131)	(108)	(107)	(100)	(108)
Free cash flow*	\$305	\$268	\$325	\$306	\$219	\$232

	Six-Months ended
(\$ in Millions)	September 26, 2025
Net cash provided by operating activities	\$852
Net capital expenditures	(279)
Free cash flow*	\$573

\*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. 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.