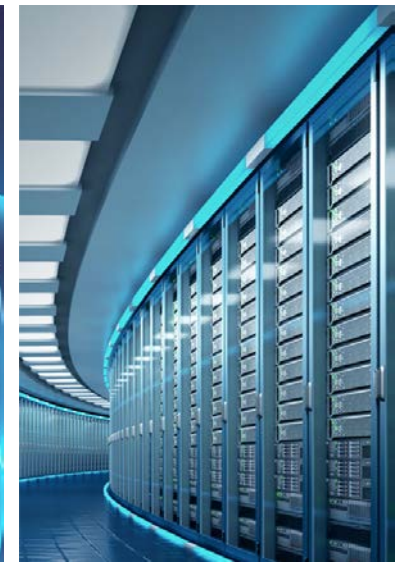


TE Connectivity Fourth Quarter 2021 Earnings

October 27, 2021

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Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

This presentation contains certain "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to risks, uncertainty and changes in circumstances, which may cause actual results, performance, financial condition or achievements to differ materially from anticipated results, performance, financial condition or achievements. All statements contained herein that are not clearly historical in nature are forward-looking and the words "anticipate," "believe," "expect," "estimate," "plan," and similar expressions are generally intended to identify forward-looking statements. We have no intention and are under no obligation to update or alter (and expressly disclaim any such intention or obligation to do so) our forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by law. The forward-looking statements in this presentation include statements addressing our future financial condition and operating results, and the impact on our operations resulting from the coronavirus disease 2019 ("COVID-19"). Examples of factors that could cause actual results to differ materially from those described in the forward-looking statements include, among others, the extent, severity and duration of COVID-19 negatively affecting our business operations; business, economic, competitive and regulatory risks, such as conditions affecting demand for products in the automotive and other industries we serve; competition and pricing pressure; fluctuations in foreign currency exchange rates and commodity prices; natural disasters and political, economic and military instability in countries in which we operate; developments in the credit markets; future goodwill impairment; compliance with current and future environmental and other laws and regulations; and the possible effects on us of changes in tax laws, tax treaties and other legislation, including the effects of Swiss tax reform. In addition, the extent to which COVID-19 will impact our business and our financial results will depend on future developments, which are highly uncertain and cannot be predicted. Such developments may include the geographic spread of the virus, the severity of the virus, the duration of the outbreak, the impact on our suppliers' and customers' supply chains, the actions that may be taken by various governmental authorities in response to the outbreak in jurisdictions in which we operate, and the possible impact on the global economy and local economies in which we operate. More detailed information about these and other factors is set forth in TE Connectivity Ltd.'s Annual Report on Form 10-K for the fiscal year ended Sept. 25, 2020 as well as in our Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports filed by us with the U.S. Securities and Exchange Commission.

Non-GAAP Financial Measures

Where we have used non-GAAP financial measures, reconciliations to the most comparable GAAP measure are provided, along with a disclosure on the usefulness of the non-GAAP financial measure, in this presentation.

Earnings Highlights

Strong Q4 Sales & Adjusted EPS above expectations despite broader supply challenges

- Sales of \$3.8B, up 17% Y/Y; Adjusted EPS of \$1.69, up 46% Y/Y
- Strong order levels of \$4.1B; book to bill of 1.08
- Adjusted Operating Margins of 18.5%, with strong operational performance in all segments
- Generated Free Cash Flow of ~\$535M; ~\$475M returned to shareholders and ~\$300M for M&A

FY21 results demonstrate strong execution & strength and diversity of our portfolio

- Sales of \$14.9B, up 23% Y/Y, with benefits from secular trends across our business, including EV, data centers, & factory automation
- Adjusted Operating Margins of 18.1%, up ~400bps Y/Y, with expansion in each segment
- Adjusted EPS of \$6.51, up over 50% Y/Y, driven by strong operational performance
- Free Cash Flow ~\$2.1B with ~100% conversion and 75% returned to shareholders & 20% for M&A
- Continue to drive ESG initiatives while enabling sustainable applications for our customers

Q1 Guidance

- Expect sales of ~\$3.7B, up 5% reported Y/Y and Adjusted EPS of ~\$1.60, up 9% Y/Y
- Expect continued strong performance despite auto production declines in Q1

Segment Orders Summary

(\$ in millions)

<u>Reported</u>	FY20	FY21	FY21	Q4 Growth	
	Q4	Q3	Q4	Y/Y	Q/Q
Transportation	2,124	2,562	2,349	11%	(8)%
Industrial	799	1,218	1,140	43%	(6)%
Communications	425	755	647	52%	(14)%
Total TE	3,348	4,535	4,136	24%	(9)%
Book to Bill	1.03	1.18	1.08		

- Y/Y orders growth in all segments and regions
- Book to bill remains strong in each segment
- Order patterns as expected, with strong backlog position entering FY22

Strong Orders Growth Y/Y with 1.08 Book to Bill



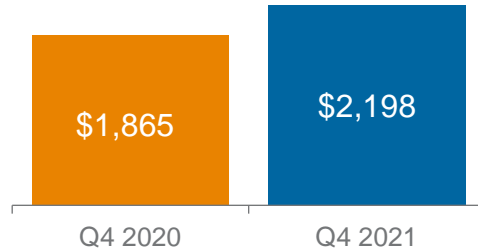
Transportation Solutions

\$ in Millions

Q4 Sales

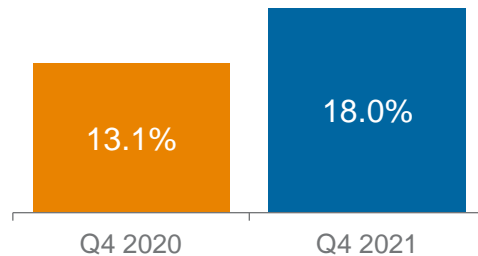
Reported
Up 18%

Organic
Up 16%



Q4 Adjusted Operating Margin

Margin expansion driven by higher volume and strong operational performance



Adjusted EBITDA Margin 19.6% 23.2%

Q4 Business Performance

Y/Y Growth Rates		Reported	Organic
Automotive	\$1,520	14%	12%
Commercial Transportation	372	40%	38%
Sensors	306	16%	15%
Transportation Solutions	\$2,198	18%	16%

- Automotive growth despite production declines. Continue to benefit from content trends of electrification and electric vehicle adoption
- Commercial Transportation strong market outperformance with growth across all regions and market verticals
- Sensors growth primarily driven by transportation applications, with new program ramps



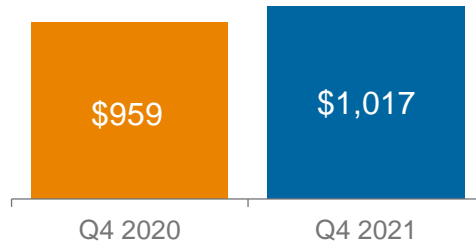
Industrial Solutions

\$ in Millions

Q4 Sales

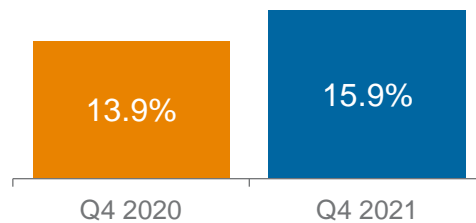
Reported
Up 6%

Organic
Up 6%



Q4 Adjusted Operating Margin

Margin expansion
driven by strong
operational
performance



Adjusted EBITDA Margin 18.6% 20.6%

Q4 Business Performance

Y/Y Growth Rates

Reported **Organic**

Business Segment	Revenue (\$ in Millions)	Reported Y/Y Growth (%)	Organic Y/Y Growth (%)
Industrial Equipment	\$386	33%	32%
Aerospace, Defense and Marine	258	(17)%	(18)%
Energy	194	3%	8%
Medical	179	5%	5%
Industrial Solutions	\$1,017	6%	6%

- Industrial Equipment double-digit growth in all regions, with continued benefits from increased capital investment in factory automation applications
- AD&M decline driven by market weakness
- Energy organic growth driven by momentum in renewable applications
- Medical growth due to recovery in interventional procedures

Communications Solutions

\$ in Millions

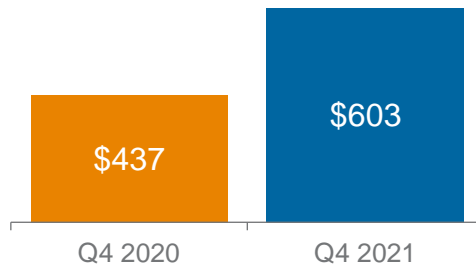
Q4 Sales

Reported

Up 38%

Organic

Up 36%



Q4 Business Performance

Y/Y Growth Rates

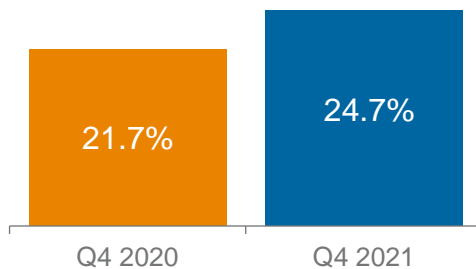
Reported

Organic

		Reported	Organic
Data & Devices	\$357	37%	36%
Appliances	246	39%	36%
Communications Solutions	\$603	38%	36%

Q4 Adjusted Operating Margin

Continued strong operational execution and higher volumes driving record margin performance



Adjusted EBITDA Margin 25.4% 27.5%

- Data & Devices performance continues to be driven by content growth and share gains in high-speed cloud applications
- Appliances double-digit growth in all regions, with continued share gains

Q4 Financial Summary

(\$ in Millions, except per share amounts)

	Q4 FY20	Q4 FY21
Net Sales	\$ 3,261	\$ 3,818
Operating Income	\$ 347	\$ 660
<i>Operating Margin</i>	10.6%	17.3%
Acquisition-Related Charges	13	8
Restructuring & Other Charges, Net	113	38
Adjusted Operating Income	\$ 473	\$ 706
<i>Adjusted Operating Margin</i>	14.5%	18.5%
Earnings Per Share*	\$ 0.69	\$ 2.40
Acquisition-Related Charges	0.03	0.02
Restructuring & Other Charges, Net	0.28	0.12
Other Items	-	0.07
Tax Items	0.17	(0.92)
Adjusted EPS	\$ 1.16	\$ 1.69

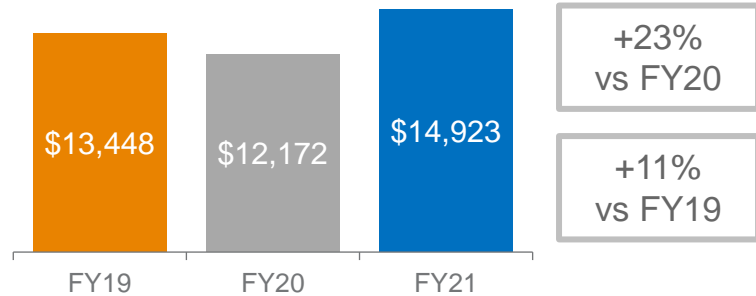
* Represents Diluted Earnings (Loss) Per Share from Continuing Operations.

Adjusted Operating Income, Adjusted Operating Margin and Adjusted EPS are non-GAAP financial measures; see Appendix for descriptions and reconciliations.

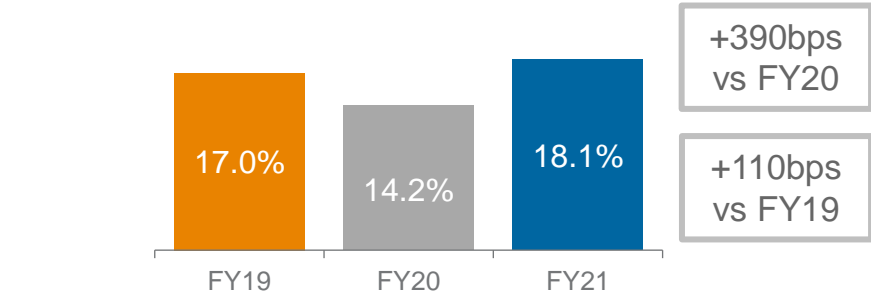
Financial Performance

Sales

\$ in Millions

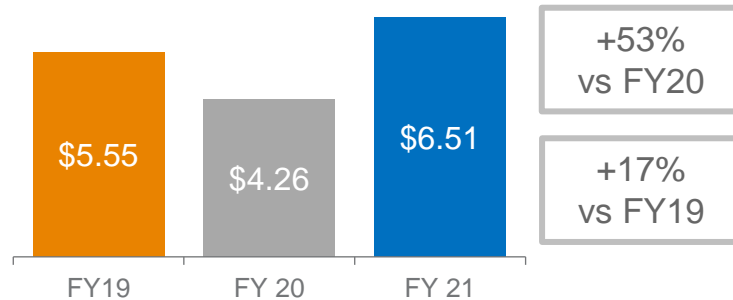


Adjusted Operating Margin



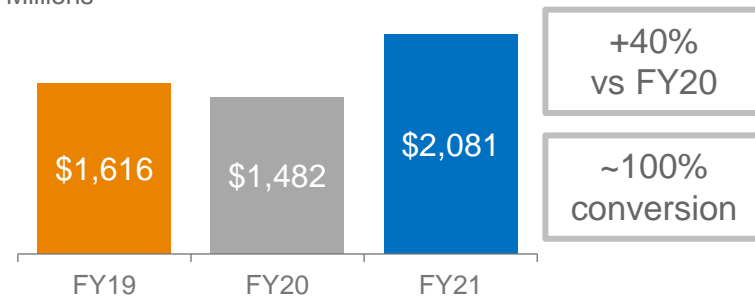
Adjusted EBITDA Margin	FY19	FY20	FY21
	22.1%	20.1%	23.3%

Adjusted EPS



Free Cash Flow

\$ in Millions



Demonstrating the Strength and Diversity of Our Portfolio and Performance above Pre-Covid Levels on Strong Execution

Additional Information

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Y/Y Q4 2021

	Sales (in millions)	Adjusted EPS
Q4 2020 Results	\$3,261	\$1.16
Operational Performance	506	0.60
FX Impact	51	-
Tax Rate Impact	-	(0.07)
Q4 2021 Results	\$3,818	\$1.69

Y/Y FY 2021

	Sales (in millions)	Adjusted EPS
2020 Results	\$12,172	\$4.26
Operational Performance	2,307	2.26
FX Impact	444	0.14
Tax Rate Impact	-	(0.15)
2021 Results	\$14,923	\$6.51

Y/Y Q1 2022

	Sales (in millions)	Adjusted EPS
Q1 2021 Results	\$3,522	\$1.47
Operational Performance	197	0.10
FX Impact	(19)	0.01
Tax Rate Impact	-	0.02
Q1 2022 Guidance	\$3,700	\$1.60

Balance Sheet & Cash Flow Summary

Free Cash Flow and Working Capital

(\$ in Millions)	FY20	FY21
Cash from Continuing Operating Activities	\$1,991	\$2,676
Capital expenditures	(560)	(690)
Proceeds from sales of property, plant and equipment	17	86
Cash paid pursuant to collateral requirements related to cross-currency swap contracts	34	9
Free Cash Flow	\$1,482	\$2,081
A/R	\$2,377	\$2,928
Days Sales Outstanding*	66	69
Inventory	\$1,950	\$2,511
Days on Hand*	74	86
Accounts Payable	\$1,276	\$1,911
Days Outstanding*	50	67

Liquidity, Cash and Debt

(\$ in Millions)	FY20	FY21
Beginning Cash Balance	\$927	\$945
Free Cash Flow	1,482	2,081
Dividends	(625)	(647)
Share repurchases	(523)	(831)
Net increase (decrease) in debt	22	(47)
Acquisition of businesses, net of cash acquired	(339)	(423)
Other	1	125
Ending Cash Balance	\$945	\$1,203
Total Debt	\$4,146	\$4,092

Appendix

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Non-GAAP Financial Measures

We present non-GAAP performance and liquidity measures as we believe it is appropriate for investors to consider adjusted financial measures in addition to results in accordance with accounting principles generally accepted in the U.S. (“GAAP”). These non-GAAP financial measures provide supplemental information and should not be considered replacements for results in accordance with GAAP. Management uses non-GAAP financial measures internally for planning and forecasting purposes and in its decision-making processes related to the operations of our company. We believe these measures provide meaningful information to us and investors because they enhance the understanding of our operating performance, ability to generate cash, and the trends of our business. Additionally, we believe that investors benefit from having access to the same financial measures that management uses in evaluating our operations. The primary limitation of these measures is that they exclude the financial impact of items that would otherwise either increase or decrease our reported results. This limitation is best addressed by using these non-GAAP financial measures in combination with the most directly comparable GAAP financial measures in order to better understand the amounts, character, and impact of any increase or decrease in reported amounts. These non-GAAP financial measures may not be comparable to similarly-titled measures reported by other companies.

The following provides additional information regarding our non-GAAP financial measures:

- Organic Net Sales Growth (Decline) – represents net sales growth (decline) (the most comparable GAAP financial measure) excluding the impact of foreign currency exchange rates, and acquisitions and divestitures that occurred in the preceding twelve months, if any. Organic Net Sales Growth (Decline) is a useful measure of our performance because it excludes items that are not completely under management’s control, such as the impact of changes in foreign currency exchange rates, and items that do not reflect the underlying growth of the company, such as acquisition and divestiture activity. This measure is a significant component in our incentive compensation plans.
- Adjusted Operating Income (Loss) and Adjusted Operating Margin – represent operating income (loss) and operating margin, respectively, (the most comparable GAAP financial measures) before special items including restructuring and other charges, acquisition-related charges, impairment of goodwill, and other income or charges, if any. We utilize these adjusted measures in combination with operating income (loss) and operating margin to assess segment level operating performance and to provide insight to management in evaluating segment operating plan execution and market conditions. Adjusted Operating Income (Loss) is a significant component in our incentive compensation plans.
- Adjusted Other Income (Expense), Net – represents net other income (expense) (the most comparable GAAP financial measure) before special items including tax sharing income related to adjustments to prior period tax returns and other items, if any.
- Adjusted Income Tax (Expense) Benefit and Adjusted Effective Tax Rate – represent income tax (expense) benefit and effective tax rate, respectively, (the most comparable GAAP financial measures) after adjusting for the tax effect of special items including restructuring and other charges, acquisition-related charges, impairment of goodwill, other income or charges, and certain significant tax items, if any.
- Adjusted Income (Loss) from Continuing Operations – represents income (loss) from continuing operations (the most comparable GAAP financial measure) before special items including restructuring and other charges, acquisition-related charges, impairment of goodwill, tax sharing income related to adjustments to prior period tax returns and other tax items, other income or charges, and certain significant tax items, if any, and, if applicable, the related tax effects.
- Adjusted Earnings (Loss) Per Share – represents diluted earnings (loss) per share from continuing operations (the most comparable GAAP financial measure) before special items including restructuring and other charges, acquisition-related charges, impairment of goodwill, tax sharing income related to adjustments to prior period tax returns and other tax items, other income or charges, and certain significant tax items, if any, and, if applicable, the related tax effects. This measure is a significant component in our incentive compensation plans.

Non-GAAP Financial Measures (cont.)

- Adjusted EBITDA and Adjusted EBITDA Margin - represent net income (loss) and net income (loss) as a percentage of net sales, respectively, (the most comparable GAAP financial measures) before interest expense, interest income, income taxes, depreciation, and amortization, as adjusted for net other income, income from discontinued operations, and special items including restructuring and other charges, acquisition-related charges, impairment of goodwill, and other income or charges, if any.
- Free Cash Flow (FCF) – is a useful measure of our ability to generate cash. The difference between net cash provided by continuing operating activities (the most comparable GAAP financial measure) and Free Cash Flow consists mainly of significant cash outflows and inflows that we believe are useful to identify. We believe Free Cash Flow provides useful information to investors as it provides insight into the primary cash flow metric used by management to monitor and evaluate cash flows generated from our operations. Free Cash Flow is defined as net cash provided by continuing operating activities excluding voluntary pension contributions and the cash impact of special items, if any, minus net capital expenditures. Voluntary pension contributions are excluded from the GAAP financial measure because this activity is driven by economic financing decisions rather than operating activity. Certain special items, including net payments related to pre-separation tax matters and cash paid (collected) pursuant to collateral requirements related to cross-currency swap contracts, are also excluded by management in evaluating Free Cash Flow. Net capital expenditures consist of capital expenditures less proceeds from the sale of property, plant, and equipment. These items are subtracted because they represent long-term commitments. In the calculation of Free Cash Flow, we subtract certain cash items that are ultimately within management's and the Board of Directors' discretion to direct and may imply that there is less or more cash available for our programs than the most comparable GAAP financial measure indicates. It should not be inferred that the entire Free Cash Flow amount is available for future discretionary expenditures, as our definition of Free Cash Flow does not consider certain non-discretionary expenditures, such as debt payments. In addition, we may have other discretionary expenditures, such as discretionary dividends, share repurchases, and business acquisitions, that are not considered in the calculation of Free Cash Flow.
- Free Cash Flow Conversion – represents the ratio of Free Cash Flow to Adjusted Income (Loss) from Continuing Operations. We use Free Cash Flow Conversion as an indicator of our ability to convert earnings to cash.

Segment Summary

	For the Quarters Ended				For the Years Ended				
	September 24,		September 25,		September 24,		September 25,		
	2021		2020		2021		2020		
	(\$ in millions)								
	Net Sales		Net Sales		Net Sales		Net Sales		
Transportation Solutions	\$	2,198	\$	1,865	\$	8,974	\$	6,845	
Industrial Solutions		1,017		959		3,844		3,713	
Communications Solutions		603		437		2,105		1,614	
Total	\$	<u>3,818</u>	\$	<u>3,261</u>	\$	<u>14,923</u>	\$	<u>12,172</u>	
	Operating	Operating	Operating	Operating	Operating	Operating	Operating	Operating	
	Income	Margin	Income	Margin	Income	Margin	Income (Loss)	Margin	
Transportation Solutions	\$	387	17.6 %	\$	198	10.6 %	\$	(93)	(1.4) %
Industrial Solutions		134	13.2		85	8.9		412	11.1
Communications Solutions		139	23.1		64	14.6		218	13.5
Total	\$	<u>660</u>	17.3 %	\$	<u>347</u>	10.6 %	\$	<u>537</u>	4.4 %
	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	
	Operating	Operating	Operating	Operating	Operating	Operating	Operating	Operating	
	Income ⁽¹⁾	Margin ⁽¹⁾	Income ⁽¹⁾	Margin ⁽¹⁾	Income ⁽¹⁾	Margin ⁽¹⁾	Income ⁽¹⁾	Margin ⁽¹⁾	
Transportation Solutions	\$	395	18.0 %	\$	245	13.1 %	\$	952	13.9 %
Industrial Solutions		162	15.9		133	13.9		522	14.1
Communications Solutions		149	24.7		95	21.7		260	16.1
Total	\$	<u>706</u>	18.5 %	\$	<u>473</u>	14.5 %	\$	<u>1,734</u>	14.2 %

⁽¹⁾ Adjusted operating income and adjusted operating margin are non-GAAP financial measures. See description of non-GAAP financial measures.

Reconciliation of Net Sales Growth

Change in Net Sales for the Quarter Ended September 24, 2021 versus Net Sales for the Quarter Ended September 25, 2020										
	Net Sales		Organic Net Sales		Translation ⁽²⁾	Acquisition/ (Divestitures)				
	Growth (Decline)		Growth (Decline) ⁽¹⁾							
	(\$ in millions)									
Transportation Solutions ⁽³⁾:										
Automotive	\$	184	13.8 %	\$	160	11.7 %	\$	24	\$	—
Commercial transportation		106	39.8		103	37.9		3		—
Sensors		43	16.3		38	15.4		5		—
Total		<u>333</u>	17.9		<u>301</u>	16.0		<u>32</u>		<u>—</u>
Industrial Solutions ⁽³⁾:										
Industrial equipment		96	33.1		91	31.5		5		—
Aerospace, defense, oil, and gas		(51)	(16.5)		(57)	(18.1)		4		2
Energy		5	2.6		15	7.7		—		(10)
Medical		8	4.7		8	4.7		—		—
Total		<u>58</u>	6.0		<u>57</u>	6.2		<u>9</u>		<u>(8)</u>
Communications Solutions ⁽³⁾:										
Data and devices		97	37.3		91	35.5		6		—
Appliances		69	39.0		65	35.7		4		—
Total		<u>166</u>	38.0		<u>156</u>	35.6		<u>10</u>		<u>—</u>
Total	\$	<u>557</u>	17.1 %	\$	<u>514</u>	15.8 %	\$	<u>51</u>	\$	<u>(8)</u>

Change in Net Sales for the Year Ended September 24, 2021 versus Net Sales for the Year Ended September 25, 2020										
	Net Sales		Organic Net Sales		Translation ⁽²⁾	Acquisitions/ (Divestitures)				
	Growth (Decline)		Growth (Decline) ⁽¹⁾							
	(\$ in millions)									
Transportation Solutions ⁽³⁾:										
Automotive	\$	1,476	30.1 %	\$	1,243	25.0 %	\$	233	\$	—
Commercial transportation		416	39.6		377	35.2		39		—
Sensors		237	26.6		119	13.4		29		89
Total		<u>2,129</u>	31.1		<u>1,739</u>	25.1		<u>301</u>		<u>89</u>
Industrial Solutions ⁽³⁾:										
Industrial equipment		299	27.2		253	22.7		46		—
Aerospace, defense, oil, and gas		(166)	(13.8)		(209)	(17.4)		25		18
Energy		21	2.9		30	4.1		20		(29)
Medical		(23)	(3.3)		(25)	(3.6)		2		—
Total		<u>131</u>	3.5		<u>49</u>	1.3		<u>93</u>		<u>(11)</u>
Communications Solutions ⁽³⁾:										
Data and devices		225	23.1		199	20.5		26		—
Appliances		266	41.5		242	37.2		24		—
Total		<u>491</u>	30.4		<u>441</u>	27.2		<u>50</u>		<u>—</u>
Total	\$	<u>2,751</u>	22.6 %	\$	<u>2,229</u>	18.2 %	\$	<u>444</u>	\$	<u>78</u>

⁽¹⁾ Organic net sales growth (decline) is a non-GAAP financial measure. See description of non-GAAP financial measures.

⁽²⁾ Represents the change in net sales resulting from changes in foreign currency exchange rates.

⁽³⁾ Industry end market information is presented consistently with our internal management reporting and may be periodically revised as management deems necessary.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended September 24, 2021

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽⁴⁾	
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Other Items ⁽¹⁾⁽²⁾		Tax Items ⁽³⁾
(\$ in millions, except per share data)						
Operating income:						
Transportation Solutions	\$ 387	\$ 3	\$ 5	\$ —	\$ —	\$ 395
Industrial Solutions	134	4	24	—	—	162
Communications Solutions	139	1	9	—	—	149
Total	<u>\$ 660</u>	<u>\$ 8</u>	<u>\$ 38</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 706</u>
Operating margin	<u>17.3 %</u>					<u>18.5 %</u>
Other income (expense), net	<u>\$ (22)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 28</u>	<u>\$ —</u>	<u>\$ 6</u>
Income tax (expense) benefit	<u>\$ 167</u>	<u>\$ (1)</u>	<u>\$ 3</u>	<u>\$ (6)</u>	<u>\$ (304)</u>	<u>\$ (141)</u>
Effective tax rate	<u>(26.6) %</u>					<u>20.1 %</u>
Income from continuing operations	<u>\$ 794</u>	<u>\$ 7</u>	<u>\$ 41</u>	<u>\$ 22</u>	<u>\$ (304)</u>	<u>\$ 560</u>
Diluted earnings per share from continuing operations	<u>\$ 2.40</u>	<u>\$ 0.02</u>	<u>\$ 0.12</u>	<u>\$ 0.07</u>	<u>\$ (0.92)</u>	<u>\$ 1.69</u>

⁽¹⁾ The tax effect of each non-GAAP adjustment is calculated based on the jurisdictions in which the expense (income) is incurred and the tax laws in effect for each such jurisdiction.

⁽²⁾ Charge related to the transfer of certain U.S. pension plan liabilities to an insurance company through the purchase of a group annuity contract.

⁽³⁾ Represents a \$327 million income tax benefit for the net reduction in valuation allowances associated primarily with certain tax planning actions as well as improved current and expected future operating profit and taxable income, and \$23 million of income tax expense associated with the tax impacts of an intercompany transaction.

⁽⁴⁾ See description of non-GAAP financial measures.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended September 25, 2020

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽³⁾
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽²⁾	
(\$ in millions, except per share data)					
Operating income:					
Transportation Solutions	\$ 198	\$ 11	\$ 36	\$ —	\$ 245
Industrial Solutions	85	2	46	—	133
Communications Solutions	64	—	31	—	95
Total	<u>\$ 347</u>	<u>\$ 13</u>	<u>\$ 113</u>	<u>\$ —</u>	<u>\$ 473</u>
Operating margin	<u>10.6 %</u>				<u>14.5 %</u>
Income tax expense	<u>\$ (109)</u>	<u>\$ (4)</u>	<u>\$ (21)</u>	<u>\$ 56</u>	<u>\$ (78)</u>
Effective tax rate	<u>32.3 %</u>				<u>16.8 %</u>
Income from continuing operations	<u>\$ 228</u>	<u>\$ 9</u>	<u>\$ 92</u>	<u>\$ 56</u>	<u>\$ 385</u>
Diluted earnings per share from continuing operations	<u>\$ 0.69</u>	<u>\$ 0.03</u>	<u>\$ 0.28</u>	<u>\$ 0.17</u>	<u>\$ 1.16</u>

⁽¹⁾ The tax effect of each non-GAAP adjustment is calculated based on the jurisdictions in which the expense (income) is incurred and the tax laws in effect for each such jurisdiction.

⁽²⁾ Income tax expense related to increases to the valuation allowance for certain deferred tax assets.

⁽³⁾ See description of non-GAAP financial measures.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Year Ended September 24, 2021

	U.S. GAAP	Adjustments				Adjusted (Non-GAAP) ⁽⁴⁾
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Other Items ⁽¹⁾⁽²⁾	Tax Items ⁽³⁾	
(\$ in millions, except per share data)						
Operating income:						
Transportation Solutions	\$ 1,526	\$ 18	\$ 135	\$ —	\$ —	\$ 1,679
Industrial Solutions	469	15	73	—	—	557
Communications Solutions	439	1	25	—	—	465
Total	<u>\$ 2,434</u>	<u>\$ 34</u>	<u>\$ 233</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,701</u>
Operating margin	<u>16.3 %</u>					<u>18.1 %</u>
Other income (expense), net	<u>\$ (17)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 28</u>	<u>\$ —</u>	<u>\$ 11</u>
Income tax expense	<u>\$ (123)</u>	<u>\$ (7)</u>	<u>\$ (35)</u>	<u>\$ (6)</u>	<u>\$ (333)</u>	<u>\$ (504)</u>
Effective tax rate	<u>5.2 %</u>					<u>18.9 %</u>
Income from continuing operations	<u>\$ 2,255</u>	<u>\$ 27</u>	<u>\$ 198</u>	<u>\$ 22</u>	<u>\$ (333)</u>	<u>\$ 2,169</u>
Diluted earnings per share from continuing operations	<u>\$ 6.77</u>	<u>\$ 0.08</u>	<u>\$ 0.59</u>	<u>\$ 0.07</u>	<u>\$ (1.00)</u>	<u>\$ 6.51</u>

⁽¹⁾ The tax effect of each non-GAAP adjustment is calculated based on the jurisdictions in which the expense (income) is incurred and the tax laws in effect for each such jurisdiction.

⁽²⁾ Charge related to the transfer of certain U.S. pension plan liabilities to an insurance company through the purchase of a group annuity contract.

⁽³⁾ Represents a \$327 million income tax benefit for the net reduction in valuation allowances associated primarily with certain tax planning actions as well as improved current and expected future operating profit and taxable income, \$29 million of income tax benefits related to an Internal Revenue Service approved change in the tax method of depreciating or amortizing certain assets, and \$23 million of income tax expense associated with the tax impacts of an intercompany transaction.

⁽⁴⁾ See description of non-GAAP financial measures.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Year Ended September 25, 2020

	Adjustments					Adjusted (Non-GAAP) ⁽⁴⁾
	U.S. GAAP	Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Impairment of Goodwill ⁽¹⁾	Tax Items ⁽²⁾	
	(\$ in millions, except per share data)					
Operating income (loss):						
Transportation Solutions	\$ (93)	\$ 32	\$ 113	\$ 900	\$ —	\$ 952
Industrial Solutions	412	8	102	—	—	522
Communications Solutions	218	—	42	—	—	260
Total	<u>\$ 537</u>	<u>\$ 40</u>	<u>\$ 257</u>	<u>\$ 900</u>	<u>\$ —</u>	<u>\$ 1,734</u>
Operating margin	<u>4.4 %</u>					<u>14.2 %</u>
Other income, net	<u>\$ 20</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (8)</u>	<u>\$ 12</u>
Income tax expense	<u>\$ (783)</u>	<u>\$ (8)</u>	<u>\$ (46)</u>	<u>\$ (4)</u>	<u>\$ 550</u>	<u>\$ (291)</u>
Effective tax rate	<u>149.4 %</u>					<u>17.0 %</u>
Income (loss) from continuing operations	<u>\$ (259)</u>	<u>\$ 32</u>	<u>\$ 211</u>	<u>\$ 896</u>	<u>\$ 542</u>	<u>\$ 1,422</u>
Diluted earnings (loss) per share from continuing operations ⁽³⁾	<u>\$ (0.78)</u>	<u>\$ 0.10</u>	<u>\$ 0.63</u>	<u>\$ 2.68</u>	<u>\$ 1.62</u>	<u>\$ 4.26</u>

⁽¹⁾ The tax effect of each non-GAAP adjustment is calculated based on the jurisdictions in which the expense (income) is incurred and the tax laws in effect for each such jurisdiction.

⁽²⁾ Includes \$355 million of income tax expense related to the tax impacts of certain measures of Swiss tax reform and \$226 million of income tax expense related to increases to the valuation allowance for certain deferred tax assets, partially offset by a \$31 million income tax benefit related to pre-separation tax matters and the termination of the tax sharing agreement with Tyco International and Covidien.

⁽³⁾ U.S. GAAP diluted shares excludes two million of nonvested share awards and options outstanding as the inclusion of these securities would have been antidilutive because of our loss during the period. Such amounts are included in adjusted (non-GAAP) diluted shares.

⁽⁴⁾ See description of non-GAAP financial measures.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended December 25, 2020

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽³⁾
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽²⁾	
(\$ in millions, except per share data)					
Operating income:					
Transportation Solutions	\$ 308	\$ 5	\$ 118	\$ —	\$ 431
Industrial Solutions	76	4	38	—	118
Communications Solutions	64	—	11	—	75
Total	<u>\$ 448</u>	<u>\$ 9</u>	<u>\$ 167</u>	<u>\$ —</u>	<u>\$ 624</u>
Operating margin	<u>12.7 %</u>				<u>17.7 %</u>
Other expense, net	<u>\$ (1)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (1)</u>
Income tax expense	<u>\$ (60)</u>	<u>\$ (2)</u>	<u>\$ (32)</u>	<u>\$ (29)</u>	<u>\$ (123)</u>
Effective tax rate	<u>13.8 %</u>				<u>20.1 %</u>
Income from continuing operations	<u>\$ 375</u>	<u>\$ 7</u>	<u>\$ 135</u>	<u>\$ (29)</u>	<u>\$ 488</u>
Diluted earnings per share from continuing operations	<u>\$ 1.13</u>	<u>\$ 0.02</u>	<u>\$ 0.41</u>	<u>\$ (0.09)</u>	<u>\$ 1.47</u>

⁽¹⁾ The tax effect of each non-GAAP adjustment is calculated based on the jurisdictions in which the expense (income) is incurred and the tax laws in effect for each such jurisdiction.

⁽²⁾ Income tax benefits related to an Internal Revenue Service approved change in the tax method of depreciating or amortizing certain assets.

⁽³⁾ See description of non-GAAP financial measures.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Year Ended September 27, 2019

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽⁴⁾
		Acquisition- Related Charges and Other Items ⁽¹⁾⁽²⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽³⁾	
(\$ in millions, except per share data)					
Operating income:					
Transportation Solutions	\$ 1,226	\$ 31	\$ 144	\$ -	\$ 1,401
Industrial Solutions	543	15	63	-	621
Communications Solutions	209	1	48	-	258
Total	<u>\$ 1,978</u>	<u>\$ 47</u>	<u>\$ 255</u>	<u>\$ -</u>	<u>\$ 2,280</u>
Operating margin	<u>14.7 %</u>				<u>17.0 %</u>
Other income, net	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>
Income tax (expense) benefit	<u>\$ 15</u>	<u>\$ (9)</u>	<u>\$ (61)</u>	<u>\$ (291)</u>	<u>\$ (346)</u>
Effective tax rate	<u>(0.8) %</u>				<u>15.5 %</u>
Income from continuing operations	<u>\$ 1,946</u>	<u>\$ 38</u>	<u>\$ 194</u>	<u>\$ (291)</u>	<u>\$ 1,887</u>
Diluted earnings per share from continuing operations	<u>\$ 5.72</u>	<u>\$ 0.11</u>	<u>\$ 0.57</u>	<u>\$ (0.86)</u>	<u>\$ 5.55</u>

⁽¹⁾ The tax effect of each non-GAAP adjustment is calculated based on the jurisdictions in which the expense (income) is incurred and the tax laws in effect for each such jurisdiction.

⁽²⁾ Includes acquisition-related charges of \$30 million and a write-off of spare parts of \$17 million.

⁽³⁾ Includes a \$216 million income tax benefit related to the tax impacts of certain measures of Swiss tax reform, a \$90 million income tax benefit related to the effective settlement of a tax audit in a non-U.S. jurisdiction, and \$15 million of income tax expense associated with the tax impacts of certain legal entity restructurings and intercompany transactions.

⁽⁴⁾ See description of non-GAAP financial measures.

Reconciliation of Free Cash Flow

	For the Quarters Ended		For the Years Ended		
	September 24, 2021	September 25, 2020	September 24, 2021	September 25, 2020	September 27, 2019
	(in millions)				
Net cash provided by operating activities					
Net cash provided by continuing operating activities	\$ 774	\$ 719	\$ 2,676	\$ 1,991	\$ 2,454
Net cash provided by (used in) discontinued operating activities	—	1	—	1	(32)
	<u>774</u>	<u>720</u>	<u>2,676</u>	<u>1,992</u>	<u>2,422</u>
Net cash used in investing activities	(540)	(117)	(1,037)	(865)	(692)
Net cash used in financing activities	(443)	(135)	(1,386)	(1,105)	(1,643)
Effect of currency translation on cash	(4)	3	5	(4)	(8)
Net increase (decrease) in cash, cash equivalents, and restricted cash	<u>\$ (213)</u>	<u>\$ 471</u>	<u>\$ 258</u>	<u>\$ 18</u>	<u>\$ 79</u>
Net cash provided by continuing operating activities	\$ 774	\$ 719	\$ 2,676	\$ 1,991	\$ 2,454
Excluding:					
Cash (collected) paid pursuant to collateral requirements related to cross-currency swap contracts	(3)	39	9	34	(132)
Capital expenditures, net	<u>(235)</u>	<u>(110)</u>	<u>(604)</u>	<u>(543)</u>	<u>(706)</u>
Free cash flow⁽¹⁾	<u>\$ 536</u>	<u>\$ 648</u>	<u>\$ 2,081</u>	<u>\$ 1,482</u>	<u>\$ 1,616</u>

⁽¹⁾ Free cash flow is a non-GAAP financial measure. See description of non-GAAP financial measures.

Free Cash Flow Conversion

	For the Year Ended September 24, 2021 (\$ in millions)
Free cash flow ⁽¹⁾	<u><u>\$ 2,081</u></u>
Adjusted income from continuing operations ⁽¹⁾	<u><u>\$ 2,169</u></u>
Free cash flow conversion ⁽¹⁾	<u><u>95.9 %</u></u>

⁽¹⁾ See description of non-GAAP financial measures.

Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

	For the Quarters Ended			For the Years Ended		
	September 24,	June 26,	September 25,	September 24,	September 25,	September 27,
	2021	2021	2020	2021	2020	2019
	(\$ in millions)					
Net income (loss)	\$ 794	\$ 580	\$ 230	\$ 2,261	\$ (241)	\$ 1,844
(Income) loss from discontinued operations	—	1	(2)	(6)	(18)	102
Income tax expense (benefit)	(167)	124	109	123	783	(15)
Other (income) expense, net	22	(2)	—	17	(20)	(2)
Interest expense	14	14	12	56	48	68
Interest income	(3)	(3)	(2)	(17)	(15)	(19)
Operating income	<u>660</u>	<u>714</u>	<u>347</u>	<u>2,434</u>	<u>537</u>	<u>1,978</u>
Acquisition-related charges and other items	8	9	13	34	40	47
Restructuring and other charges, net	38	11	113	233	257	255
Impairment of goodwill	—	—	—	—	900	—
Adjusted operating income ⁽¹⁾	<u>706</u>	<u>734</u>	<u>473</u>	<u>2,701</u>	<u>1,734</u>	<u>2,280</u>
Depreciation and amortization ⁽²⁾	<u>179</u>	<u>210</u>	<u>181</u>	<u>769</u>	<u>711</u>	<u>687</u>
Adjusted EBITDA ⁽¹⁾	<u>\$ 885</u>	<u>\$ 944</u>	<u>\$ 654</u>	<u>\$ 3,470</u>	<u>\$ 2,445</u>	<u>\$ 2,967</u>
Net sales	\$ 3,818	\$ 3,845	\$ 3,261	\$ 14,923	\$ 12,172	\$ 13,448
Net income (loss) as a percentage of net sales	20.8 %	15.1 %	7.1 %	15.2 %	(2.0) %	13.7 %
Adjusted EBITDA margin ⁽¹⁾	23.2 %	24.6 %	20.1 %	23.3 %	20.1 %	22.1 %

	For the Quarters Ended				For the Quarters Ended			
	September 24, 2021				September 25, 2020			
	Transportation Solutions	Industrial Solutions	Communications Solutions	Total	Transportation Solutions	Industrial Solutions	Communications Solutions	Total
	(\$ in millions)							
Operating income	\$ 387	\$ 134	\$ 139	\$ 660	\$ 198	\$ 85	\$ 64	\$ 347
Acquisition-related charges	3	4	1	8	11	2	—	13
Restructuring and other charges, net	<u>5</u>	<u>24</u>	<u>9</u>	<u>38</u>	<u>36</u>	<u>46</u>	<u>31</u>	<u>113</u>
Adjusted operating income ⁽¹⁾	<u>395</u>	<u>162</u>	<u>149</u>	<u>706</u>	<u>245</u>	<u>133</u>	<u>95</u>	<u>473</u>
Depreciation and amortization	<u>115</u>	<u>47</u>	<u>17</u>	<u>179</u>	<u>120</u>	<u>45</u>	<u>16</u>	<u>181</u>
Adjusted EBITDA ⁽¹⁾	<u>\$ 510</u>	<u>\$ 209</u>	<u>\$ 166</u>	<u>\$ 885</u>	<u>\$ 365</u>	<u>\$ 178</u>	<u>\$ 111</u>	<u>\$ 654</u>
Net sales	\$ 2,198	\$ 1,017	\$ 603	\$ 3,818	\$ 1,865	\$ 959	\$ 437	\$ 3,261
Operating margin	17.6 %	13.2 %	23.1 %	17.3 %	10.6 %	8.9 %	14.6 %	10.6 %
Adjusted operating margin ⁽¹⁾	18.0 %	15.9 %	24.7 %	18.5 %	13.1 %	13.9 %	21.7 %	14.5 %
Adjusted EBITDA margin ⁽¹⁾	23.2 %	20.6 %	27.5 %	23.2 %	19.6 %	18.6 %	25.4 %	20.1 %

⁽¹⁾ See description of non-GAAP financial measures.

⁽²⁾ Excludes non-cash amortization associated with fair value adjustments related to acquired customer order backlog of \$3 million for the year ended September 27, 2019 as these charges are included in the acquisition-related charges and other items line.

Reconciliation of Forward-Looking Non-GAAP Financial Measures to Forward-Looking GAAP Financial Measures

	Outlook for Quarter Ending December 24, 2021 ⁽¹⁾
Diluted earnings per share from continuing operations	\$ 1.50
Restructuring and other charges, net	0.12
Acquisition-related charges	0.03
Tax items	(0.05)
Adjusted diluted earnings per share from continuing operations ⁽²⁾	<u>\$ 1.60</u>
Net sales growth	5.0 %
Translation	0.6
(Acquisitions) divestitures, net	(1.5)
Organic net sales growth ⁽²⁾	<u>4.1 %</u>
	Outlook for Fiscal 2022 ⁽¹⁾
Effective tax rate	13.2 %
Effective tax rate adjustments ⁽³⁾	5.8
Adjusted effective tax rate ⁽²⁾	<u>19.0 %</u>

⁽¹⁾ Outlook is as of October 27, 2021.

⁽²⁾ See description of non-GAAP financial measures.

⁽³⁾ Includes adjustments for special tax items and the tax effect of acquisition-related charges and net restructuring and other charges, calculated based on the jurisdictions in which the expense (income) is incurred and the tax laws in effect for each such jurisdiction.