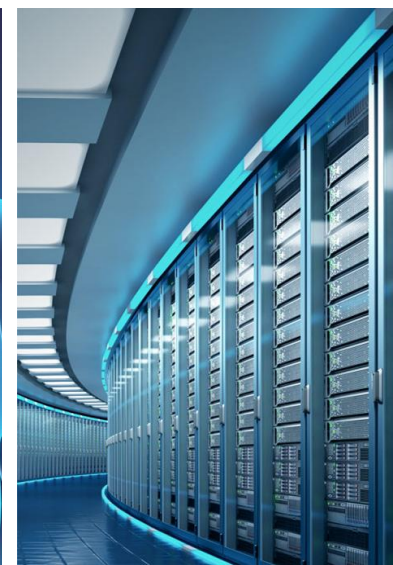


TE Connectivity Third Quarter 2022 Earnings

July 27, 2022

EVERY CONNECTION COUNTS



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, including continuing military conflict between Russia and Ukraine resulting from Russia's invasion of Ukraine or escalating tensions in surrounding countries; 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. 24, 2021 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

Record Sales & Adjusted EPS driven by strong operational performance

- Sales of \$4.1B, up 7% reported & 11% organically Y/Y, with organic growth across all businesses
 - Transportation up 8% organically Y/Y, driven by Auto & Commercial Transportation
 - Industrial up 13% organically Y/Y, driven by Industrial Equipment & Energy
 - Communications up 16% organically Y/Y, driven by Data & Devices
- Orders of \$4.2B, reflecting continued strong customer demand; book to bill of 1.02
- Adjusted Operating Margins of 18.6%, expansion in the Industrial & Communications Segments
- Adjusted EPS of \$1.86, up 4% Y/Y
- YTD Free Cash Flow of ~\$1B; ~\$1.6B returned to shareholders YTD
- Connecting Our World report published - drove a reduction of 30% in absolute GHG emissions in FY21

Q4 Guidance reflects strong Y/Y Sales growth

- Expect Q4 Sales of ~\$4.2B and Adjusted EPS of ~\$1.85
 - Sales up 10% reported and 15% organically Y/Y with Adjusted EPS up 9% Y/Y
 - Includes Y/Y FX headwinds of ~\$275M to Sales and ~\$0.11 to Adjusted EPS
- Fiscal 2022 Sales of ~\$16.1B and Adjusted EPS of ~\$7.29
 - Sales up 8% reported and 11% organically Y/Y, with Adjusted EPS up 12% Y/Y
 - Y/Y FX headwinds of ~\$700M to Sales and ~\$0.17 to Adjusted EPS
- Guidance includes an extra week in Q4, representing Sales of ~\$250M & Adjusted EPS of ~\$0.10

Segment Orders Summary

(\$ in millions)

<u>Reported</u>	FY21	FY22	FY22	Q3 Growth	
	Q3	Q2	Q3	Y/Y	Q/Q
Transportation	2,562	2,549	2,303	(10)%	(10)%
Industrial	1,218	1,309	1,320	9%	1%
Communications	755	664	575	(24)%	(13)%
Total TE	4,535	4,522	4,197	(7)%	(7)%
Book to Bill	1.18	1.13	1.02		

- Orders reflect strong customer demand and supply chain volatility
- Backlog up ~20% versus Q3 FY21
- Transportation book to bill of 1.0, reflecting more normalized order patterns and increased backlog position
- Industrial Y/Y orders growth across all businesses with a book to bill of 1.16
- Communications orders reflecting a double-digit Y/Y increase in backlog

Orders Reflecting Continued Strong Customer Demand
Along with Backlog Growth Across All Segments



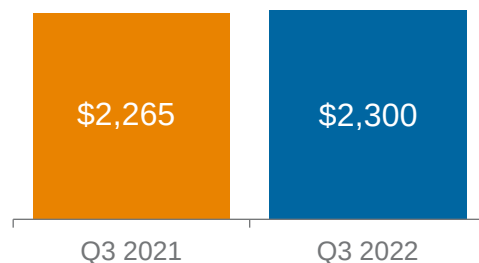
Transportation Solutions

\$ in Millions

Q3 Sales

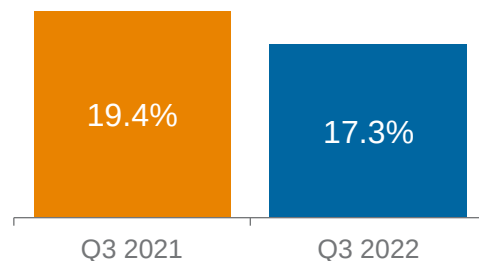
Reported
Up 2%

Organic
Up 8%



Q3 Adjusted Operating Margin

Margin performance impacted by inflationary pressures and timing of pricing actions



Adjusted EBITDA Margin 25.9% 23.2%

Q3 Business Performance

Y/Y Growth Rates

Reported

Organic

Automotive	\$1,629	2%	9%
Commercial Transportation	400	5%	10%
Sensors	271	(4)%	2%
Transportation Solutions	\$2,300	2%	8%

- Automotive organic growth across all regions. Continue to benefit from content outperformance through our global leadership position in electric vehicles
- Commercial Transportation growth driven by North America and Europe, with significant market outperformance in each region
- Sensors organic growth driven by factory automation applications



Industrial Solutions

\$ in Millions

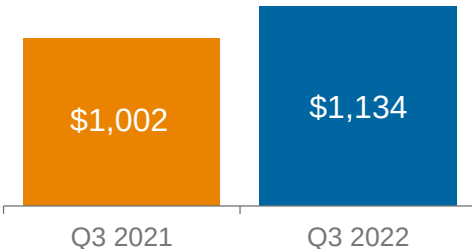
Q3 Sales

Reported

Up 13%

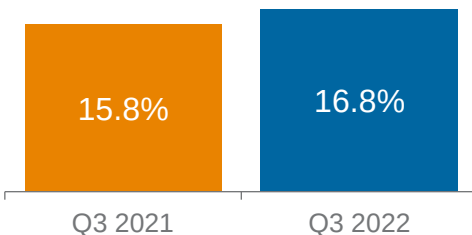
Organic

Up 13%



Q3 Adjusted Operating Margin

Margin expansion driven by higher volume and strong operational performance



Adjusted EBITDA Margin 20.6% 20.9%

Q3 Business Performance

Y/Y Growth Rates

Reported Organic

Industrial Equipment	\$479	27%	19%
Aerospace, Defense and Marine	271	4%	9%
Energy	207	11%	17%
Medical	177	(1)%	1%
Industrial Solutions	\$1,134	13%	13%

- Industrial Equipment double-digit growth in all regions, with continued benefits from factory automation applications
- AD&M organic growth driven by market improvement in Commercial Aerospace
- Energy organic growth driven by renewable applications
- Medical organic growth with increase in interventional procedures

Communications Solutions

\$ in Millions

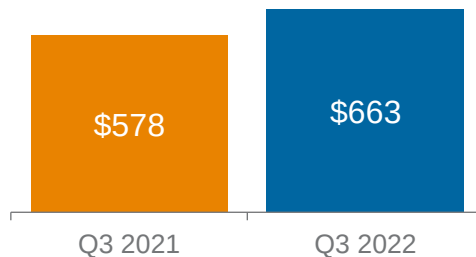
Q3 Sales

Reported

Up 15%

Organic

Up 16%



Q3 Business Performance

Y/Y Growth Rates

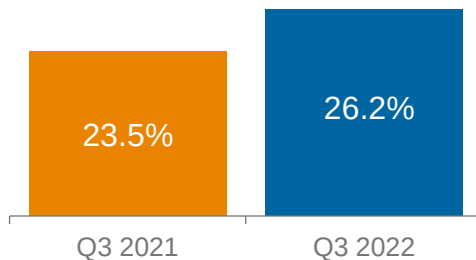
Reported

Organic

Data & Devices	\$417	27%	26%
Appliances	246	(1)%	2%
Communications Solutions	\$663	15%	16%

Q3 Adjusted Operating Margin

Margin performance driven by continued strong operational execution and higher volumes



Adjusted EBITDA Margin 26.3% 29.4%

- Data & Devices outperformance driven by content growth and share gains, including AI applications enabling improved data center energy efficiency
- Appliances growth in North America and Europe partially offset by expected declines in China. Continue to generate market outperformance due to share gains

Q3 Financial Summary

(\$ in Millions, except per share amounts)

	Q3 FY21	Q3 FY22
Net Sales	\$ 3,845	\$ 4,097
Operating Income	\$ 714	\$ 719
<i>Operating Margin</i>	<i>18.6%</i>	<i>17.5%</i>
Acquisition-Related Charges	9	12
Restructuring & Other Charges, Net	11	30
Adjusted Operating Income	\$ 734	\$ 761
<i>Adjusted Operating Margin</i>	<i>19.1%</i>	<i>18.6%</i>
Earnings Per Share*	\$ 1.74	\$ 1.83
Acquisition-Related Charges	0.02	0.03
Restructuring & Other Charges, Net	0.02	0.07
Tax Items	-	(0.06)
Adjusted EPS	\$ 1.79	\$ 1.86

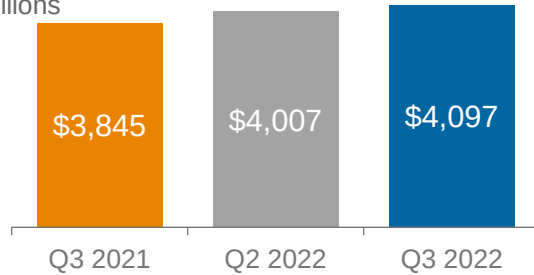
* Represents Diluted Earnings Per Share from Continuing Operations.

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

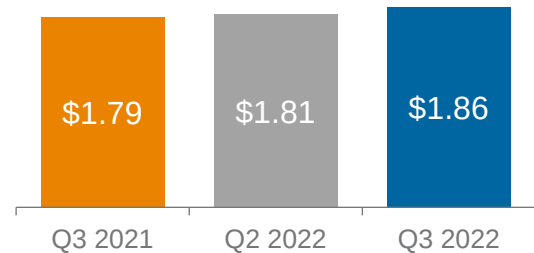
Q3 Financial Performance

Sales

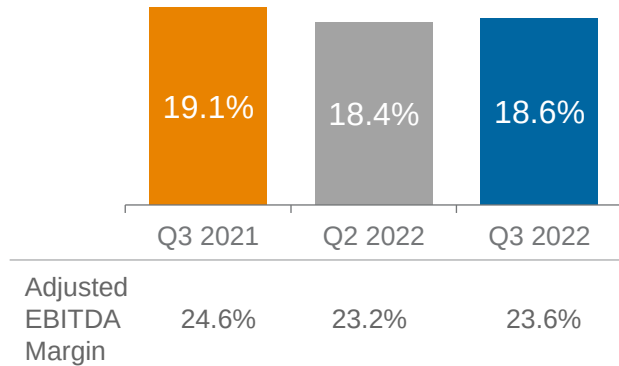
\$ in Millions



Adjusted EPS



Adjusted Operating Margin

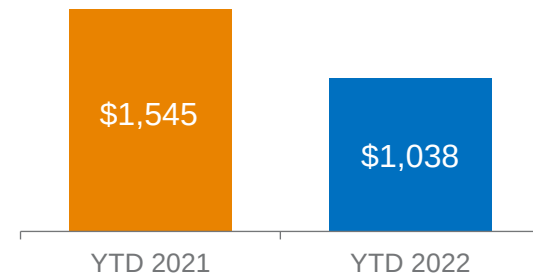


Adjusted
EBITDA
Margin

24.6% 23.2% 23.6%

Free Cash Flow

\$ in Millions



FCF reflecting
planned
inventory build

~\$1.6B
returned to
shareholders
YTD

Results Reflect Strong Execution and Diversity of Our Portfolio

Additional Information

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Y/Y Q3 2022

	Sales (in millions)	Adjusted EPS
Q3 2021 Results	\$3,845	\$1.79
Operational Performance	488	0.17
FX Impact	(236)	(0.07)
Tax Rate Impact	-	(0.03)
Q3 2022 Results	\$4,097	\$1.86

Y/Y Q4 2022

	Sales (in millions)	Adjusted EPS
Q4 2021 Results	\$3,818	\$1.69
Operational Performance	657	0.27
FX Impact	(275)	(0.11)
Tax Rate Impact	-	0.00
Q4 2022 Guidance (14 weeks)*	\$4,200	\$1.85

*Q4 includes an extra week which contributes ~\$250M to Sales and ~\$0.10 to Adjusted EPS

Q3 Balance Sheet & Cash Flow Summary

Free Cash Flow and Working Capital

(\$ in Millions)	Q3 2021	Q3 2022
Cash from Operating Activities	\$682	\$579
Capital expenditures, net	(143)	(170)
Cash paid pursuant to collateral requirements related to cross-currency swap contracts	-	14
Free Cash Flow	\$539	\$423
A/R	\$2,985	\$3,132
Days Sales Outstanding*	70	69
Inventory	\$2,392	\$3,028
Days on Hand*	81	96
Accounts Payable	\$1,938	\$1,917
Days Outstanding*	68	62

Liquidity, Cash & Debt

(\$ in Millions)	Q3 2021	Q3 2022
Beginning Cash Balance	\$1,748	\$749
Free Cash Flow	539	423
Dividends	(165)	(180)
Share repurchases	(259)	(378)
Net increase (decrease) in debt	(426)	237
Acquisition of businesses, net of cash acquired	(19)	(14)
Other	(2)	(17)
Ending Cash Balance	\$1,416	\$820
Total Debt	\$4,134	\$4,202

Appendix

EVERY CONNECTION COUNTS



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 and Adjusted Operating Margin** – represent operating income 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 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 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 from Continuing Operations** – represents income 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 Per Share** – represents diluted earnings 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 and net income 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 (expense), income (loss) 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 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 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 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 Nine Months Ended			
	June 24, 2022		June 25, 2021		June 24, 2022		June 25, 2021	
	(\$ in millions)							
	Net Sales		Net Sales		Net Sales		Net Sales	
Transportation Solutions	\$ 2,300		\$ 2,265		\$ 6,772		\$ 6,776	
Industrial Solutions	1,134		1,002		3,268		2,827	
Communications Solutions	663		578		1,882		1,502	
Total	<u>\$ 4,097</u>		<u>\$ 3,845</u>		<u>\$ 11,922</u>		<u>\$ 11,105</u>	
	Operating Income	Operating Margin	Operating Income	Operating Margin	Operating Income	Operating Margin	Operating Income	Operating Margin
Transportation Solutions	\$ 383	16.7 %	\$ 433	19.1 %	\$ 1,187	17.5 %	\$ 1,139	16.8 %
Industrial Solutions	169	14.9	148	14.8	440	13.5	335	11.9
Communications Solutions	167	25.2	133	23.0	469	24.9	300	20.0
Total	<u>\$ 719</u>	17.5 %	<u>\$ 714</u>	18.6 %	<u>\$ 2,096</u>	17.6 %	<u>\$ 1,774</u>	16.0 %
	Adjusted Operating Income ⁽¹⁾	Adjusted Operating Margin ⁽¹⁾	Adjusted Operating Income ⁽¹⁾	Adjusted Operating Margin ⁽¹⁾	Adjusted Operating Income ⁽¹⁾	Adjusted Operating Margin ⁽¹⁾	Adjusted Operating Income ⁽¹⁾	Adjusted Operating Margin ⁽¹⁾
Transportation Solutions	\$ 397	17.3 %	\$ 440	19.4 %	\$ 1,211	17.9 %	\$ 1,284	18.9 %
Industrial Solutions	190	16.8	158	15.8	511	15.6	395	14.0
Communications Solutions	174	26.2	136	23.5	487	25.9	316	21.0
Total	<u>\$ 761</u>	18.6 %	<u>\$ 734</u>	19.1 %	<u>\$ 2,209</u>	18.5 %	<u>\$ 1,995</u>	18.0 %

⁽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 June 24, 2022 versus Net Sales for the Quarter Ended June 25, 2021									
	Net Sales		Organic Net Sales		Translation ⁽²⁾		Acquisitions/ (Divestiture)			
	Growth (Decline)		Growth ⁽¹⁾							
	(\$ in millions)									
Transportation Solutions ⁽³⁾:										
Automotive	\$	29	1.8 %	\$	148	9.1 %	\$	(119)	\$	—
Commercial transportation		18	4.7		38	9.8		(20)		—
Sensors		(12)	(4.2)		6	1.5		(18)		—
Total		35	1.5		192	8.3		(157)		—
Industrial Solutions ⁽³⁾:										
Industrial equipment		102	27.1		71	19.1		(30)		61
Aerospace, defense, oil, and gas		11	4.2		22	8.7		(10)		(1)
Energy		20	10.7		31	16.7		(11)		—
Medical		(1)	(0.6)		1	0.6		(2)		—
Total		132	13.2		125	12.7		(53)		60
Communications Solutions ⁽³⁾:										
Data and devices		88	26.7		86	26.2		(11)		13
Appliances		(3)	(1.2)		6	2.2		(9)		—
Total		85	14.7		92	15.9		(20)		13
Total	\$	252	6.6 %	\$	409	10.6 %	\$	(230)	\$	73

Change in Net Sales for the Nine Months Ended June 24, 2022 versus Net Sales for the Nine Months Ended June 25, 2021										
	Net Sales		Organic Net Sales				Acquisitions/ (Divestitures)			
	Growth (Decline)		Growth ⁽¹⁾				Translation ⁽²⁾			
			(\$ in millions)							
Transportation Solutions ⁽³⁾ :										
Automotive	\$	(57)	(1.2) %	\$	137	2.7 %	\$	(194)	\$	—
Commercial transportation		64	5.8		95	8.6		(31)		—
Sensors		(11)	(1.3)		19	2.2		(30)		—
Total		(4)	(0.1)		251	3.7		(255)		—
Industrial Solutions ⁽³⁾ :										
Industrial equipment		402	39.8		283	27.9		(55)		174
Aerospace, defense, oil, and gas		(3)	(0.4)		16	2.0		(18)		(1)
Energy		35	6.4		69	12.7		(23)		(11)
Medical		7	1.4		12	2.2		(5)		—
Total		441	15.6		380	13.5		(101)		162
Communications Solutions ⁽³⁾ :										
Data and devices		310	36.9		295	35.0		(16)		31
Appliances		70	10.6		83	12.4		(13)		—
Total		380	25.3		378	25.1		(29)		31
Total	\$	817	7.4 %	\$	1,009	9.0 %	\$	(385)	\$	193

⁽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 June 24, 2022

		Adjustments			
	U.S. GAAP	Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾⁽²⁾	Tax Items ⁽³⁾	Adjusted (Non-GAAP) ⁽⁴⁾
	(\$ in millions, except per share data)				
Operating income:					
Transportation Solutions	\$ 383	\$ 5	\$ 9	\$ —	\$ 397
Industrial Solutions	169	6	15	—	190
Communications Solutions	167	1	6	—	174
Total	<u>\$ 719</u>	<u>\$ 12</u>	<u>\$ 30</u>	<u>\$ —</u>	<u>\$ 761</u>
Operating margin	<u>17.5 %</u>				<u>18.6 %</u>
Other income, net	<u>\$ 4</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 4</u>
Income tax expense	<u>\$ (116)</u>	<u>\$ (3)</u>	<u>\$ (6)</u>	<u>\$ (21)</u>	<u>\$ (146)</u>
Effective tax rate	<u>16.4 %</u>				<u>19.5 %</u>
Income from continuing operations	<u>\$ 592</u>	<u>\$ 9</u>	<u>\$ 24</u>	<u>\$ (21)</u>	<u>\$ 604</u>
Diluted earnings per share from continuing operations	<u>\$ 1.83</u>	<u>\$ 0.03</u>	<u>\$ 0.07</u>	<u>\$ (0.06)</u>	<u>\$ 1.86</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 \$26 million recorded in net restructuring and other charges and \$4 million recorded in cost of sales.

⁽³⁾ Includes a \$21 million income tax benefit related to the tax impacts of an intercompany transaction. Our estimated annual effective tax rate for fiscal 2022 includes a total income tax benefit of approximately \$75 million related to this transaction, with portions recognized in the quarters ended December 24, 2021, March 25, 2022, and June 24, 2022 and the remainder to be recognized in the quarter ending September 30, 2022.

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

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended June 25, 2021

		Adjustments		
	U.S. GAAP	Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Adjusted (Non-GAAP) ⁽²⁾
	(\$ in millions, except per share data)			
Operating income:				
Transportation Solutions	\$ 433	\$ 5	\$ 2	\$ 440
Industrial Solutions	148	4	6	158
Communications Solutions	133	—	3	136
Total	<u>\$ 714</u>	<u>\$ 9</u>	<u>\$ 11</u>	<u>\$ 734</u>
Operating margin	<u>18.6 %</u>			<u>19.1 %</u>
Other income, net	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2</u>
Income tax expense	<u>\$ (124)</u>	<u>\$ (2)</u>	<u>\$ (4)</u>	<u>\$ (130)</u>
Effective tax rate	<u>17.6 %</u>			<u>17.9 %</u>
Income from continuing operations	<u>\$ 581</u>	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ 595</u>
Diluted earnings per share from continuing operations	\$ 1.74	\$ 0.02	\$ 0.02	\$ 1.79

⁽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⁾ See description of non-GAAP financial measures.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended March 25, 2021

		Adjustments			
	U.S. GAAP	Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽²⁾	Adjusted (Non-GAAP) ⁽³⁾
		(\$ in millions, except per share data)			
Operating income:					
Transportation Solutions	\$ 409	\$ 4	\$ 9	\$ —	\$ 422
Industrial Solutions	148	6	10	—	164
Communications Solutions	148	—	2	—	150
Total	<u>\$ 705</u>	<u>\$ 10</u>	<u>\$ 21</u>	<u>\$ —</u>	<u>\$ 736</u>
Operating margin	<u>17.6 %</u>				<u>18.4 %</u>
Other income, net	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5</u>
Income tax expense	<u>\$ (136)</u>	<u>\$ (2)</u>	<u>\$ (5)</u>	<u>\$ 8</u>	<u>\$ (135)</u>
Effective tax rate	<u>19.5 %</u>				<u>18.6 %</u>
Income from continuing operations	<u>\$ 560</u>	<u>\$ 8</u>	<u>\$ 16</u>	<u>\$ 8</u>	<u>\$ 592</u>
Diluted earnings per share from continuing operations	<u>\$ 1.71</u>	<u>\$ 0.02</u>	<u>\$ 0.05</u>	<u>\$ 0.02</u>	<u>\$ 1.81</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 \$27 million of income tax expense related to the write-down of certain deferred tax assets to the lower corporate tax rate enacted in the canton of Schaffhausen on December 27, 2021. Also includes a \$19 million income tax benefit related to the tax impacts of an intercompany transaction. Our estimated annual effective tax rate for fiscal 2022 includes a total income tax benefit of approximately \$75 million related to this transaction.

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

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Nine Months Ended June 24, 2022

		Adjustments			
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾⁽²⁾	Tax Items ⁽³⁾	Adjusted (Non-GAAP) ⁽⁴⁾
	U.S. GAAP				
(\$ in millions, except per share data)					
Operating income:					
Transportation Solutions	\$ 1,187	\$ 12	\$ 12	\$ —	\$ 1,211
Industrial Solutions	440	24	47	—	511
Communications Solutions	469	2	16	—	487
Total	<u>\$ 2,096</u>	<u>\$ 38</u>	<u>\$ 75</u>	<u>\$ —</u>	<u>\$ 2,209</u>
Operating margin	<u>17.6 %</u>				<u>18.5 %</u>
Other income, net	<u>\$ 24</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (11)</u>	<u>\$ 13</u>
Income tax expense	<u>\$ (362)</u>	<u>\$ (8)</u>	<u>\$ (18)</u>	<u>\$ (18)</u>	<u>\$ (406)</u>
Effective tax rate	<u>17.4 %</u>				<u>18.6 %</u>
Income from continuing operations	<u>\$ 1,719</u>	<u>\$ 30</u>	<u>\$ 57</u>	<u>\$ (29)</u>	<u>\$ 1,777</u>
Diluted earnings per share from continuing operations	<u>\$ 5.26</u>	<u>\$ 0.09</u>	<u>\$ 0.17</u>	<u>\$ (0.09)</u>	<u>\$ 5.43</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 \$59 million recorded in net restructuring and other charges and \$16 million recorded in cost of sales.

⁽³⁾ Includes a \$57 million income tax benefit related to the tax impacts of an intercompany transaction. Our estimated annual effective tax rate for fiscal 2022 includes a total income tax benefit of approximately \$75 million related to this transaction, with portions recognized in the quarters ended December 24, 2021, March 25, 2022, and June 24, 2022 and the remainder to be recognized in the quarter ending September 30, 2022. Also includes \$27 million of income tax expense related to the write-down of certain deferred tax assets to the lower corporate tax rate enacted in the canton of Schaffhausen, and \$12 million of income tax expense related to an income tax audit of an acquired entity, as well as the related impact of \$11 million to other income pursuant to the indemnification terms of the purchase agreement.

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

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Nine Months Ended June 25, 2021

		Adjustments			
	U.S. GAAP	Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽²⁾	Adjusted (Non-GAAP) ⁽³⁾
	(\$ in millions, except per share data)				
Operating income:					
Transportation Solutions	\$ 1,139	\$ 15	\$ 130	\$ —	\$ 1,284
Industrial Solutions	335	11	49	—	395
Communications Solutions	300	—	16	—	316
Total	<u>\$ 1,774</u>	<u>\$ 26</u>	<u>\$ 195</u>	<u>\$ —</u>	<u>\$ 1,995</u>
Operating margin	<u>16.0 %</u>				<u>18.0 %</u>
Other income, net	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5</u>
Income tax expense	<u>\$ (290)</u>	<u>\$ (6)</u>	<u>\$ (38)</u>	<u>\$ (29)</u>	<u>\$ (363)</u>
Effective tax rate	<u>16.6 %</u>				<u>18.4 %</u>
Income from continuing operations	<u>\$ 1,461</u>	<u>\$ 20</u>	<u>\$ 157</u>	<u>\$ (29)</u>	<u>\$ 1,609</u>
Diluted earnings per share from continuing operations	\$ 4.39	\$ 0.06	\$ 0.47	\$ (0.09)	\$ 4.83

⁽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 Quarter Ended September 24, 2021

		Adjustments				
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Other Items ⁽¹⁾⁽²⁾	Tax Items ⁽³⁾	Adjusted (Non-GAAP) ⁽⁴⁾
	U.S. GAAP					
		(\$ 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 Year Ended September 24, 2021

		Adjustments				
	U.S. GAAP	Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Other Items ⁽¹⁾⁽²⁾	Tax Items ⁽³⁾	Adjusted (Non-GAAP) ⁽⁴⁾
		(\$ 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 Free Cash Flow

	For the Quarters Ended		For the Nine Months Ended	
	June 24, 2022	June 25, 2021	June 24, 2022	June 25, 2021
	(in millions)			
Net cash provided by operating activities	\$ 579	\$ 682	\$ 1,524	\$ 1,902
Net cash used in investing activities	(185)	(174)	(568)	(497)
Net cash used in financing activities	(318)	(842)	(1,330)	(943)
Effect of currency translation on cash	(5)	2	(9)	9
Net increase (decrease) in cash, cash equivalents, and restricted cash	<u>\$ 71</u>	<u>\$ (332)</u>	<u>\$ (383)</u>	<u>\$ 471</u>
Net cash provided by operating activities	\$ 579	\$ 682	\$ 1,524	\$ 1,902
Excluding:				
Cash (collected) paid pursuant to collateral requirements related to cross-currency swap contracts	14	—	(28)	12
Capital expenditures, net	<u>(170)</u>	<u>(143)</u>	<u>(458)</u>	<u>(369)</u>
Free cash flow⁽¹⁾	<u>\$ 423</u>	<u>\$ 539</u>	<u>\$ 1,038</u>	<u>\$ 1,545</u>

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

Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

	For the Quarters Ended		
	June 24, 2022	March 25, 2022 (\$ in millions)	June 25, 2021
Net income	\$ 594	\$ 560	\$ 580
(Income) loss from discontinued operations	(2)	—	1
Income tax expense	116	136	124
Other income, net	(4)	(5)	(2)
Interest expense	18	18	14
Interest income	(3)	(4)	(3)
Operating income	719	705	714
Acquisition-related charges	12	10	9
Restructuring and other charges, net	30	21	11
Adjusted operating income⁽¹⁾	761	736	734
Depreciation and amortization	205	194	210
Adjusted EBITDA⁽¹⁾	<u>\$ 966</u>	<u>\$ 930</u>	<u>\$ 944</u>
Net sales	\$ 4,097	\$ 4,007	\$ 3,845
Net income as a percentage of net sales	14.5 %	14.0 %	15.1 %
Adjusted EBITDA margin⁽¹⁾	23.6 %	23.2 %	24.6 %

	For the Quarters Ended							
	June 24, 2022				June 25, 2021			
	Transportation Solutions	Industrial Solutions	Communication Solutions	Total	Transportation Solutions	Industrial Solutions	Communication Solutions	Total
	(\$ in millions)							
Operating income	\$ 383	\$ 169	\$ 167	\$ 719	\$ 433	\$ 148	\$ 133	\$ 714
Acquisition-related charges	5	6	1	12	5	4	—	9
Restructuring and other charges, net	9	15	6	30	2	6	3	11
Adjusted operating income⁽¹⁾	397	190	174	761	440	158	136	734
Depreciation and amortization	137	47	21	205	146	48	16	210
Adjusted EBITDA⁽¹⁾	<u>\$ 534</u>	<u>\$ 237</u>	<u>\$ 195</u>	<u>\$ 966</u>	<u>\$ 586</u>	<u>\$ 206</u>	<u>\$ 152</u>	<u>\$ 944</u>
Net sales	\$ 2,300	\$ 1,134	\$ 663	\$ 4,097	\$ 2,265	\$ 1,002	\$ 578	\$ 3,845
Operating margin	16.7 %	14.9 %	25.2 %	17.5 %	19.1 %	14.8 %	23.0 %	18.6 %
Adjusted operating margin ⁽¹⁾	17.3 %	16.8 %	26.2 %	18.6 %	19.4 %	15.8 %	23.5 %	19.1 %
Adjusted EBITDA margin⁽¹⁾	23.2 %	20.9 %	29.4 %	23.6 %	25.9 %	20.6 %	26.3 %	24.6 %

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

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

	Outlook for Quarter Ending September 30, 2022 ⁽¹⁾	Outlook for Fiscal 2022 ⁽¹⁾
Diluted earnings per share from continuing operations	\$ 1.79	\$ 7.04
Restructuring and other charges, net	0.16	0.34
Acquisition-related charges	0.03	0.12
Tax items	(0.13)	(0.21)
Adjusted diluted earnings per share from continuing operations ⁽²⁾	<u>\$ 1.85</u>	<u>\$ 7.29</u>
Net sales growth	10.0 %	8.0 %
Translation	7.0	4.5
(Acquisitions) divestitures, net	(2.3)	(2.0)
Organic net sales growth ⁽²⁾	<u>14.7 %</u>	<u>10.5 %</u>
Effective tax rate	13.5 %	16.5 %
Effective tax rate adjustments ⁽³⁾	6.5	2.5
Adjusted effective tax rate ⁽²⁾	<u>20.0 %</u>	<u>19.0 %</u>

⁽¹⁾ Outlook is as of July 27, 2022.

⁽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.