

Citi – Industrials Conference

September 2014

Bob Hau
Chief Financial Officer



Forward-Looking Statements and Non-GAAP 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 our ability to realize projected financial impacts of and to integrate our planned acquisition of Measurement Specialties, Inc. (“MEAS”). Examples of factors that could cause actual results to differ materially from those described in the forward-looking statements include, among others, business, economic, competitive and regulatory risks, such as conditions affecting demand for products, particularly in the automotive industry and the telecommunications networks and consumer devices industries; 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; the possible effects on us of changes in tax laws, tax treaties and other legislation; the risk that the acquisition of MEAS may not be consummated; the risk that a regulatory approval that may be required for the MEAS acquisition is not obtained or is obtained subject to conditions that are not anticipated; the risk that revenue opportunities, cost savings and other anticipated synergies from the MEAS acquisition may not be fully realized or may take longer to realize than expected; and the risk that MEAS’ operations will not be successfully integrated into ours. 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. 27, 2013 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 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 measure, in this presentation.

A World Leader in Connectivity

Solving connectivity challenges across industries



Transportation Solutions



Industrial Solutions



Network Solutions



Consumer Solutions



With the broadest range of products



Connectors



Fiber Optics



Circuit
Protection



Sealing &
Protection



Wireless



Sensors

And extensive global resources

~7,000 Engineers
Close to our Customers

~5,800 Salespeople
Advising our Customers

>150 Countries
Served

~100 Manufacturing Sites
Serving Every Region

Businesses Focused Around Trends That Matter



GREENER,
MORE EFFICIENT



EXPONENTIALLY
MORE DATA



INTERNET OF THINGS



AUTOMATION



IMPROVED
INFRASTRUCTURE

\$100+ Billion Business Opportunity

The Leader in Connectivity Solutions for Harsh Applications

HIGH/LOW
TEMPERATURE



VIBRATION



UNDERSEA



HIGH VOLTAGE



MOISTURE



~70% of revenue from harsh environments

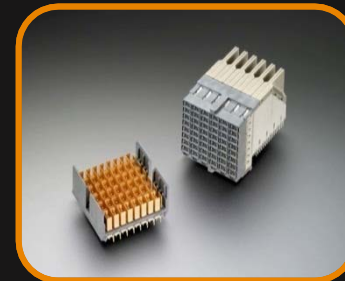
Leading in Innovation

~7,000 engineers

18,000+ patents
(granted or pending)

\$675 million RD&E
investment in FY13
(5% of revenue)

Top 100 Global Innovator
three consecutive years⁽¹⁾



Unmatched Resources Close to the Customer



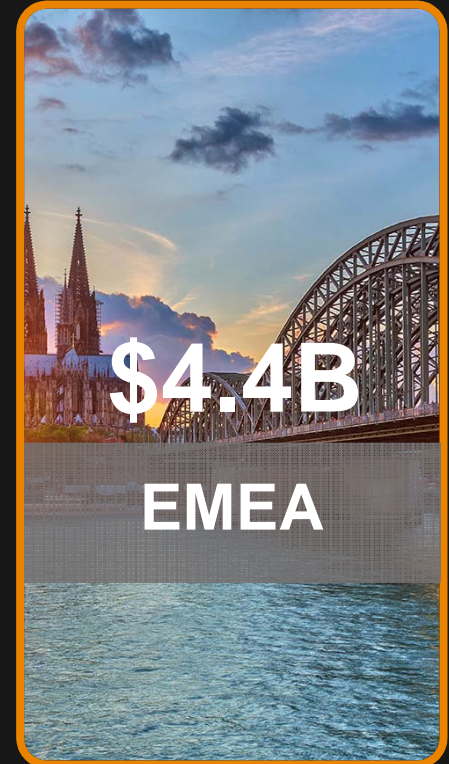
10 design centers
38 mfg. sites
2,375 engineers



3 design centers
16 mfg. sites
1,880 engineers



3 design centers
12 mfg. sites
950 engineers



5 design centers
33 mfg. sites
1,700 engineers

Positioned To Accelerate GROWTH



Very strong position in a market with attractive growth drivers



Strong position in a recovering market with GDP-plus growth potential



Well positioned in a cyclical, but improving market
Beginning growth in SubCom business cycle



Strong in Appliances
Selective in Consumer Devices

Long-term growth rate

6 – 8%

4 – 6%

4 – 7%

3 – 5%

Expect to deliver long-term organic growth of 5 – 7%

Combination with MEAS Creates Unrivalled Leader in Connectors & Sensors

Provides customers with the
broadest portfolio of
connectivity and
sensing solutions

Provides significant
opportunity for growth
and TAM expansion

Leverages TE scale
into the attractive,
fragmented sensor market

Creates significant
shareholder value



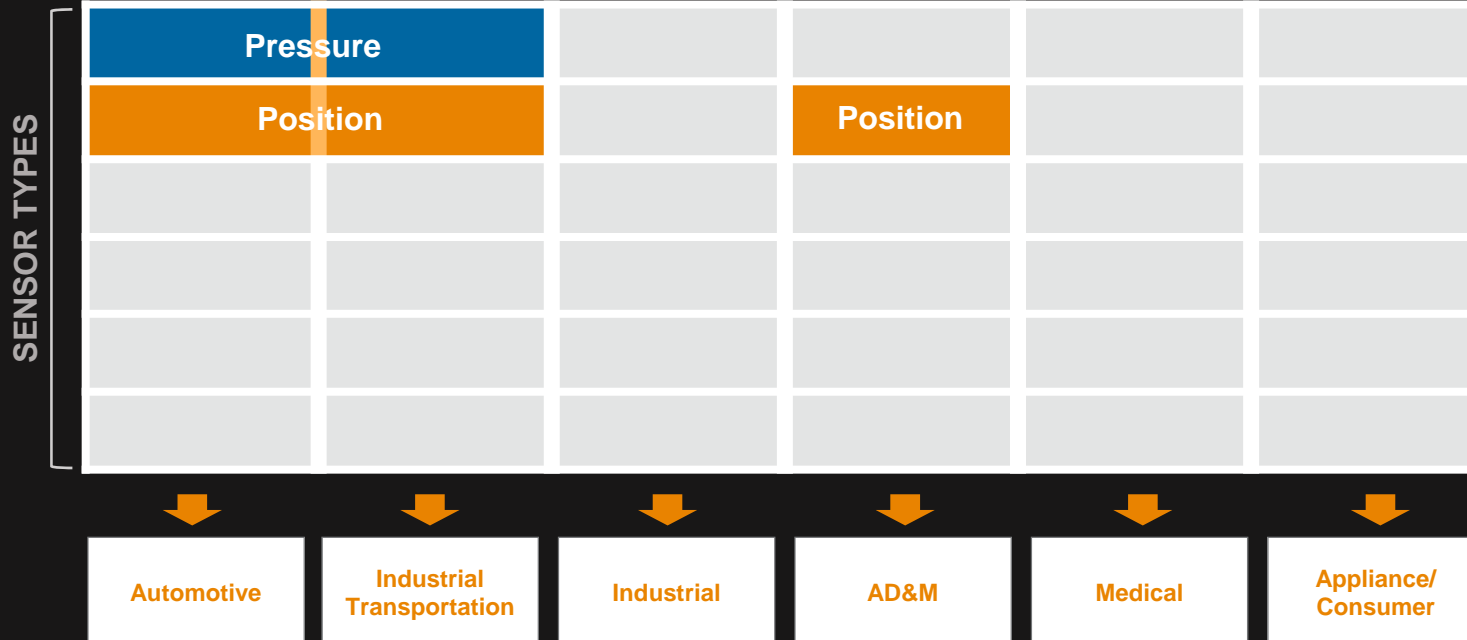
TE is the World Leader in Connectivity

TE Connectivity

Broadest range of connectivity solutions /// Highly-engineered products ///
Global scale /// Leadership in harsh environments /// TEOA

~\$10B

CONNECTOR¹
SALES IN FY13



~\$200M

TE SENSOR
BUSINESS

TE and Measurement Specialties Will Be A World Leader in Sensors

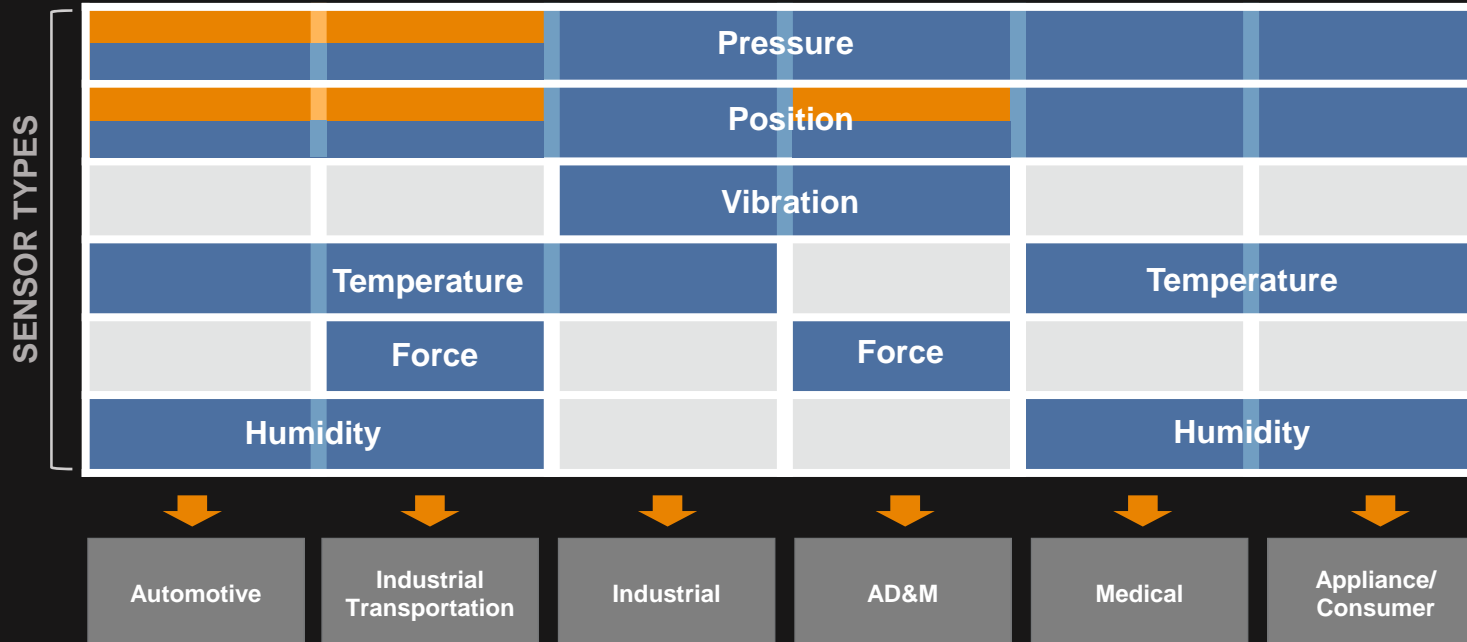
TE Connectivity

Broadest range of connectivity solutions /// Highly-engineered products ///
Global scale /// Leadership in harsh environments /// TEOA

+ Measurement Specialties

\$10B

CONNECTOR¹
SALES IN FY13



\$80B

MARKET

\$40B

ADDRESSABLE
SENSOR MARKET

~\$800M

TE
SENSOR BUSINESS

If Data, Power, or Signal Moves Through It, TE Connects and Senses It

AUTOMOTIVE



**INDUSTRIAL
TRANSPORTATION**

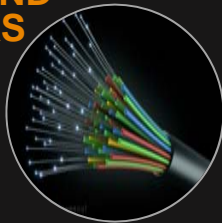


**ENERGY
NETWORKS**



**AEROSPACE &
DEFENSE**

**BROADBAND
NETWORKS**



OIL & GAS

APPLIANCES



EVERY CONNECTION COUNTS



**INDUSTRIAL
EQUIPMENT**

**MEDICAL
EQUIPMENT**



**CONSUMER
DEVICE**



Financial Performance

DOUBLE-DIGIT EPS GROWTH & STRONG CASH GENERATION

	FY12		FY13		Trailing 12 Month's Results ⁽¹⁾		Target Model
Revenue	\$13.3B	➤	\$13.3B	➤	\$13.8B	➤	5-7% organic growth
Adj. Gross Margin %	31.0%		32.6%		33.8%		>34%
Adj. Operating Margin	13.2%		14.2%		15.3%		>15%
Adj. EPS	\$2.86	➤	\$3.23	➤	\$3.70	➤	Double- Digit Growth
Free Cash Flow (\$B)	\$1.4	➤	\$1.5	➤	\$1.5	➤	~Net Income

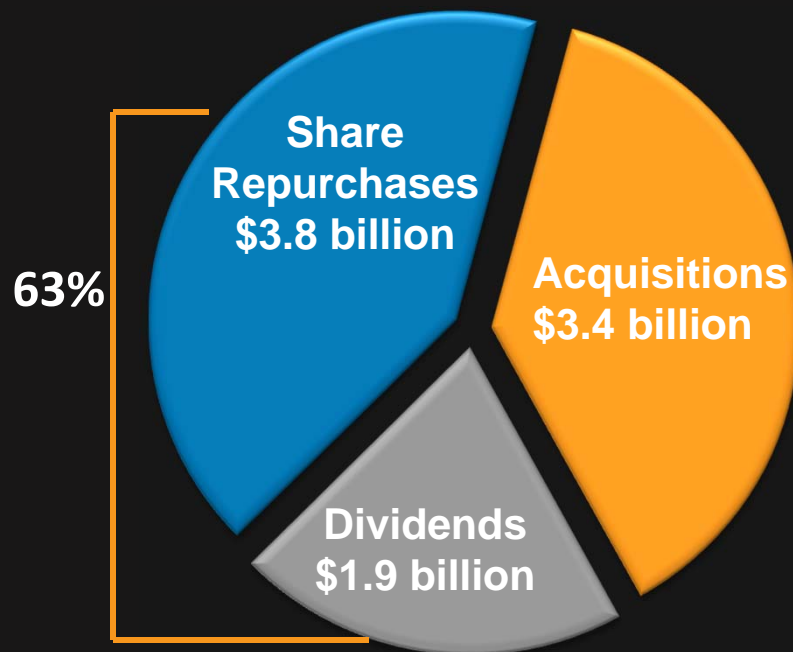
⁽¹⁾ Represents the summation of results for the quarters ended September 27, 2013, December 27, 2013, March 28, 2014, and June 27, 2014.

Adjusted Gross Margin, Adjusted Operating Margin, Adjusted EPS, and Free Cash Flow are non-GAAP measures; see Appendix for description and reconciliation.

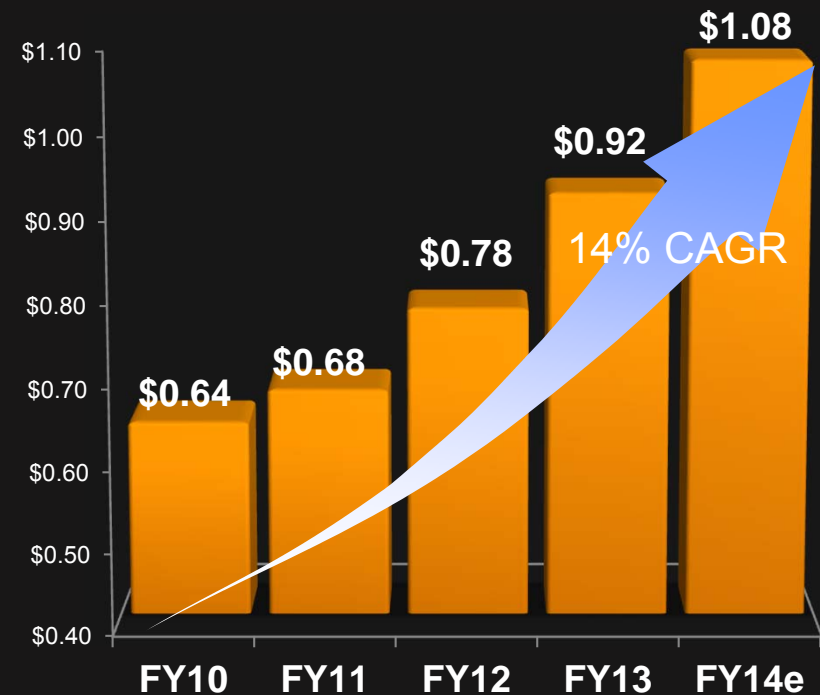


Consistent Dividend Growth and Balanced Use of Capital

Major Capital Deployment
FY08 through FY13



Dividends per Share*



* Denotes dividends paid during the fiscal year
Shareholders approved an annual dividend of \$1.16 per share in Q2 FY14

*Expect to return ~2/3 of free cash flow to shareholders over time
Expect to make strategic acquisitions to strengthen our position
in growing markets*

Driving Shareholder Value

Deliver 5 – 7% Organic Revenue Growth

- Growth drivers in our markets:
 - Favorable Trends – Green, Data Growth, Communications, Electronic Content – lead to Connectivity growth
 - High growth regions
- Fuel future growth through R&D investments of 5% of sales
- Strengthen our position via strategic M&A:
 - Differentiated, highly engineered solutions
 - Harsh environments

Drive Earnings Growth

- Achieved 15% Operating Margin at <\$14B in revenue
- Double-digit adjusted EPS growth
- Continue driving productivity - TE Operating Advantage (TEOA)

Generate Strong Cash Flow

- Free cash flow \approx Net Income
- Six straight years of free cash flow at or above 10% of revenue
- Return \sim 2/3 of Capital to Shareholders over time

**TEL provides a broad, diversified investment in growing technology markets
Automotive, Industrial, Communications, Consumer**

Appendix

Non-GAAP Measures

“Organic Sales Growth,” “Adjusted Gross Margin,” “Adjusted Gross Margin Percentage,” “Adjusted Operating Income,” “Adjusted Operating Margin,” “Adjusted Other Income, Net,” “Adjusted Income Tax Expense,” “Adjusted Effective Tax Rate,” “Adjusted Income from Continuing Operations,” “Adjusted Earnings Per Share,” and “Free Cash Flow” (FCF) are non-GAAP measures and should not be considered replacements for GAAP* results.

“Organic Sales Growth” is a useful measure used by us to measure the underlying results and trends in the business. The difference between reported net sales growth (the most comparable GAAP measure) and Organic Sales Growth (the non-GAAP measure) consists of the impact from foreign currency exchange rates and acquisitions and divestitures, if any. Organic Sales Growth is a useful measure of our performance because it excludes items that: i) are not completely under management’s control, such as the impact of changes in foreign currency exchange rates; or ii) do not reflect the underlying growth of the company, such as acquisition and divestiture activity. The limitation of this measure is that it excludes items that have an impact on our sales. This limitation is best addressed by using organic sales growth in combination with the GAAP results.

We present gross margin and adjusted gross margin percentage before special items including charges or income related to restructuring and other charges and acquisition related charges, if any (“Adjusted Gross Margin” and “Adjusted Gross Margin Percentage”). We present Adjusted Gross Margin and Adjusted Gross Margin Percentage before special items to give investors a perspective on the underlying business results. These measures should be considered in conjunction with gross margin calculated using our GAAP results in order to understand the amounts, character and impact of adjustments to gross margin.

We present operating income before special items including charges or income related to legal settlements and reserves, restructuring and other charges, acquisition related charges, impairment charges, and other income or charges, if any (“Adjusted Operating Income”). We utilize Adjusted Operating Income to assess segment level core operating performance and to provide insight to management in evaluating segment operating plan execution and underlying market conditions. It also is a significant component in our incentive compensation plans. Adjusted Operating Income is a useful measure for investors because it provides insight into our underlying operating results, trends, and the comparability of these results between periods. The difference between Adjusted Operating Income and operating income (the most comparable GAAP measure) consists of the impact of charges or income related to legal settlements and reserves, restructuring and other charges, acquisition related charges, impairment charges, and other income or charges, if any, that may mask the underlying operating results and/or business trends. The limitation of this measure is that it excludes the financial impact of items that would otherwise either increase or decrease our reported operating income. This limitation is best addressed by using Adjusted Operating Income in combination with operating income (the most comparable GAAP measure) in order to better understand the amounts, character and impact of any increase or decrease on reported results.

We present operating margin before special items including charges or income related to legal settlements and reserves, restructuring and other charges, acquisition related charges, impairment charges, and other income or charges, if any (“Adjusted Operating Margin”). We present Adjusted Operating Margin before special items to give investors a perspective on the underlying business results. It also is a significant component in our incentive compensation plans. This measure should be considered in conjunction with operating margin calculated using our GAAP results in order to understand the amounts, character and impact of adjustments to operating margin.

We present other income, net before special items including tax sharing income related to certain proposed adjustments to prior period tax returns and other tax items, if any (“Adjusted Other Income, Net”). We present Adjusted Other Income, Net as we believe that it is appropriate for investors to consider results excluding these items in addition to results in accordance with GAAP. The difference between Adjusted Other Income, Net and other income, net (the most comparable GAAP measure) consists of tax sharing income related to certain proposed adjustments to prior period tax returns and other tax items, if any. The limitation of this measure is that it excludes the financial impact of items that would otherwise either increase or decrease other income, net. This limitation is best addressed by using Adjusted Other Income, Net in combination with other income, net (the most comparable GAAP measure) in order to better understand the amounts, character and impact of any increase or decrease in reported amounts.

* U.S. Generally Accepted Accounting Principles

Non-GAAP Measures

We present income tax expense after adjusting for the tax effect of special items including charges related to restructuring and other charges, acquisition related charges, impairment charges, other income or charges, and certain significant special tax items, if any ("Adjusted Income Tax Expense"). We present Adjusted Income Tax Expense to provide investors further information regarding the tax effects of adjustments used in determining the non-GAAP financial measure Adjusted Income from Continuing Operations (as defined below). The difference between Adjusted Income Tax Expense and income tax expense (the most comparable GAAP measure) is the tax effect of adjusting items and certain significant special tax items, if any. The limitation of this measure is that it excludes the financial impact of items that would otherwise either increase or decrease income tax expense. This limitation is best addressed by using Adjusted Income Tax Expense in combination with income tax expense (the most comparable GAAP measure) in order to better understand the amounts, character and impact of any increase or decrease in reported amounts.

We present effective income tax rate after adjusting for the tax effect of special items including charges related to restructuring and other charges, acquisition related charges, impairment charges, other income or charges, and certain significant special tax items, if any ("Adjusted Effective Tax Rate"). We present Adjusted Effective Tax Rate to provide investors further information regarding the tax rate effects of adjustments used in determining the non-GAAP financial measure Adjusted Income from Continuing Operations (as defined below). The difference between Adjusted Effective Tax Rate and effective income tax rate (the most comparable GAAP measure) is the tax rate effect of the adjusting items and certain significant special tax items, if any. The limitation of this measure is that it excludes the financial impact of items that would otherwise either increase or decrease the effective income tax rate. This limitation is best addressed by using Adjusted Effective Tax Rate in combination with effective income tax rate (the most comparable GAAP measure) in order to better understand the amounts, character and impact of any increase or decrease in reported amounts.

We present income from continuing operations attributable to TE Connectivity Ltd. before special items including charges or income related to legal settlements and reserves, restructuring and other charges, acquisition related charges, impairment charges, tax sharing income related to certain proposed adjustments to prior period tax returns and other tax items, certain significant special tax items, other income or charges, if any, and, if applicable, related tax effects ("Adjusted Income from Continuing Operations"). We present Adjusted Income from Continuing Operations as we believe that it is appropriate for investors to consider results excluding these items in addition to results in accordance with GAAP. Adjusted Income from Continuing Operations provides additional information regarding our underlying operating results, trends and the comparability of these results between periods. The difference between Adjusted Income from Continuing Operations and income from continuing operations attributable to TE Connectivity Ltd. (the most comparable GAAP measure) consists of the impact of charges or income related to legal settlements and reserves, restructuring and other charges, acquisition related charges, impairment charges, tax sharing income related to certain proposed adjustments to prior period tax returns and other tax items, certain significant special tax items, other income or charges, if any, and, if applicable, related tax effects. The limitation of this measure is that it excludes the financial impact of items that would otherwise either increase or decrease our reported results. This limitation is best addressed by using Adjusted Income from Continuing Operations in combination with income from continuing operations attributable to TE Connectivity Ltd. (the most comparable GAAP measure) in order to better understand the amounts, character and impact of any increase or decrease in reported amounts.

We present diluted earnings per share from continuing operations attributable to TE Connectivity Ltd. before special items, including charges or income related to legal settlements and reserves, restructuring and other charges, acquisition related charges, impairment charges, tax sharing income related to certain proposed adjustments to prior period tax returns and other tax items, certain significant special tax items, other income or charges, if any, and, if applicable, related tax effects ("Adjusted Earnings Per Share"). We present Adjusted Earnings Per Share because we believe that it is appropriate for investors to consider results excluding these items in addition to results in accordance with GAAP. We believe such a measure provides a picture of our results that is more comparable among periods since it excludes the impact of special items, which may recur, but tend to be irregular as to timing, thereby making comparisons between periods more difficult. It also is a significant component in our incentive compensation plans. The limitation of this measure is that it excludes the financial impact of items that would otherwise either increase or decrease our reported results. This limitation is best addressed by using Adjusted Earnings Per Share in combination with diluted earnings per share from continuing operations attributable to TE Connectivity Ltd. (the most comparable GAAP measure) in order to better understand the amounts, character and impact of any increase or decrease on reported results.

Non-GAAP Measures

"Free Cash Flow" (FCF) is a useful measure of our ability to generate cash. It also is a significant component in our incentive compensation plans. The difference between net cash provided by continuing operating activities (the most comparable GAAP measure) and FCF (the non-GAAP measure) 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.

FCF 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. Net capital expenditures consist of capital expenditures less proceeds from the sale of property, plant, and equipment. They are subtracted because they represent long-term commitments. Voluntary pension contributions are excluded from the GAAP 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, also are considered by management in evaluating free cash flow. We believe investors should also consider these items in evaluating our free cash flow. We forecast our cash flow results excluding any voluntary pension contributions because we have not yet made a determination about the amount and timing of any such future contributions. In addition, our forecast excludes the cash impact of special items because we cannot predict the amount and timing of such items.

FCF as presented herein may not be comparable to similarly-titled measures reported by other companies. The primary limitation of this measure is that it excludes items that have an impact on our GAAP cash flow. Also, it subtracts 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 measure indicates. This limitation is best addressed by using FCF in combination with the GAAP cash flow results. 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.

Reconciliation of Gross Margin and Gross Margin Percentage

	For the Years Ended		For the Quarters Ended			
	September 27, 2013	September 28, 2012	June 27, 2014	March 28, 2014	December 27, 2013	September 27, 2013
	(\$ in millions)			(\$ in millions)		
Net sales	\$ 13,280	\$ 13,282	\$ 3,580	\$ 3,431	\$ 3,326	\$ 3,432
Cost of sales	8,951	9,236	2,376	2,258	2,209	2,276
Gross margin	<u>4,329</u>	<u>4,046</u>	<u>1,204</u>	<u>1,173</u>	<u>1,117</u>	<u>1,156</u>
Gross margin percentage	<u>32.6%</u>	<u>30.5%</u>	<u>33.6%</u>	<u>34.2%</u>	<u>33.6%</u>	<u>33.7%</u>
Acquisition Related Charges	-	75	-	-	-	-
Adjusted gross margin ⁽¹⁾	<u>\$ 4,329</u>	<u>\$ 4,121</u>	<u>\$ 1,204</u>	<u>\$ 1,173</u>	<u>\$ 1,117</u>	<u>\$ 1,156</u>
Adjusted gross margin percentage ⁽¹⁾	<u>32.6%</u>	<u>31.0%</u>	<u>33.6%</u>	<u>34.2%</u>	<u>33.6%</u>	<u>33.7%</u>

⁽¹⁾ See description of non-GAAP measures contained in this appendix.

Reconciliation of Non-GAAP financial measures for the Year Ended September 28, 2012

		Adjustments				
	U.S. GAAP	Acquisition Related Charges ⁽¹⁾	Restructuring and Other Charges, Net	Tax Items ⁽²⁾	Adjusted (Non-GAAP) ⁽³⁾	
		(\$ in millions, except per share data)				
Operating Income	\$ 1,518	\$ 116	\$ 114	\$ -	\$ 1,748	
Operating Margin	11.4%				13.2%	
Other Income, Net	\$ 50	\$ -	\$ -	\$ (17)	\$ 33	
Income Tax Expense	\$ (249)	\$ (24)	\$ (33)	\$ (90)	\$ (396)	
Effective Tax Rate	17.6%				24.3%	
Income from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 1,163	\$ 92	\$ 81	\$ (107)	\$ 1,229	
Diluted Earnings per Share from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 2.70	\$ 0.21	\$ 0.19	\$ (0.25)	\$ 2.86	

⁽¹⁾ Includes \$75 million of non-cash amortization associated with fair value adjustments primarily related to acquired inventories and customer order backlog recorded in cost of sales, \$27 million of acquisition and integration costs, and \$14 million of restructuring charges.

⁽²⁾ Other income adjustment relates to reimbursements by Tyco International and Covidien in connection with pre-separation tax matters. Income tax expense adjustments include income tax benefits recognized in connection with a reduction in the valuation allowance associated with certain tax loss carryforwards and income tax expense associated with certain non-U.S. tax rate changes.

⁽³⁾ See description of non-GAAP measures contained in this appendix.

Reconciliation of Non-GAAP financial measures for the Year Ended September 27, 2013

		Adjustments				
	U.S. GAAP	Acquisition Related Charges	Restructuring and Other Charges, Net	Tax Items ⁽¹⁾	Adjusted (Non-GAAP) ⁽²⁾	
		(\$ in millions, except per share data)				
Operating Income	\$ 1,556	\$ 14	\$ 311	\$ -	\$ 1,881	
Operating Margin	11.7%				14.2%	
Other Income (Expense), Net	\$ (183)	\$ -	\$ -	\$ 213	\$ 30	
Income Tax (Expense) Benefit	\$ 29	\$ (5)	\$ (90)	\$ (354)	\$ (420)	
Effective Tax Rate	(2.3)%				23.5%	
Income from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 1,276	\$ 9	\$ 221	\$ (141)	\$ 1,365	
Diluted Earnings per Share from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 3.02	\$ 0.02	\$ 0.52	\$ (0.33)	\$ 3.23	

⁽¹⁾ Includes \$331 million of income tax benefits associated with the settlement of an audit of prior year income tax returns as well as the related impact of \$231 million to other expense pursuant to the tax sharing agreement with Tyco International and Covidien. Also includes income tax expense related to adjustments to prior year income tax returns, income tax benefits recognized in connection with a reduction in the valuation allowance associated with certain tax loss carryforwards, and income tax benefits recognized in connection with the lapse of statutes of limitations for examinations of prior year income tax returns. In addition, the other income adjustment includes amounts related to reimbursements by Tyco International and Covidien in connection with pre-separation tax matters.

⁽²⁾ See description of non-GAAP measures contained in this appendix.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended June 27, 2014

		Adjustments		
	U.S. GAAP	Acquisition Related Charges	Restructuring and Other Charges, Net	Adjusted (Non-GAAP) ⁽¹⁾
	(\$ in millions, except per share data)			
Operating Income	\$ 535	\$ 1	\$ 14	\$ 550
Operating Margin	14.9%			15.4%
Other Income, Net	\$ 9	\$ -	\$ -	\$ 9
Income Tax Expense	\$ (113)	\$ -	\$ (3)	\$ (116)
Effective Tax Rate	21.8%			21.8%
Income from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 405	\$ 1	\$ 11	\$ 417
Diluted Earnings per Share from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 0.97	\$ -	\$ 0.03	\$ 1.00

⁽¹⁾ See description of non-GAAP measures contained in this appendix.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended March 28, 2014

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽²⁾
		Acquisition Related Charges	Restructuring and Other Charges, Net	Tax Items ⁽¹⁾	
		(\$ in millions, except per share data)			
Operating Income	\$ 510	\$ 1	\$ 21	\$ -	\$ 532
Operating Margin	14.9%				15.5%
Other Income, Net	\$ 16	\$ -	\$ -	\$ (14)	\$ 2
Income Tax Expense	\$ (136)	\$ -	\$ (10)	\$ 36	\$ (110)
Effective Tax Rate	27.2%				21.7%
Income from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 364	\$ 1	\$ 11	\$ 22	\$ 398
Diluted Earnings per Share from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 0.87	\$ -	\$ 0.03	\$ 0.05	\$ 0.95

⁽¹⁾ Includes income tax expense related to adjustments to prior year income tax returns. In addition, other income includes amounts related to reimbursements by Tyco International and Covidien in connection with pre-separation tax matters.

⁽²⁾ See description of non-GAAP measures contained in this appendix.

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended December 27, 2013

	Adjustments			Adjusted (Non-GAAP) ⁽²⁾
	U.S. GAAP	Restructuring and Other Charges, Net	Tax Items ⁽¹⁾	
	(\$ in millions, except per share data)			
Operating Income	\$ 479	\$ 7	\$ -	\$ 486
Operating Margin	14.4%			14.6%
Other Income, Net	\$ 32	\$ -	\$ (25)	\$ 7
Income Tax Expense	\$ (127)	\$ (1)	\$ 7	\$ (121)
Effective Tax Rate	26.3%			26.1%
Income from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 355	\$ 6	\$ (18)	\$ 343
Diluted Earnings per Share from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 0.85	\$ 0.01	\$ (0.04)	\$ 0.82

⁽¹⁾ Includes income tax expense related to adjustments to prior year income tax returns. In addition, other income includes amounts related to reimbursements by Tyco International and Covidien in connection with pre-separation tax matters, including \$18 million related to our share of a settlement agreement entered into by Tyco International with a former subsidiary.

⁽²⁾ See description of non-GAAP measures contained in this appendix.

Reconciliation of Non-GAAP Financial Measures to GAAP

Financial Measures for the Quarter Ended September 27, 2013

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽²⁾
		Acquisition Related Charges	Restructuring and Other Charges, Net	Tax Items ⁽¹⁾	
		(\$ in millions, except per share data)			
Operating Income	\$ 465	\$ 3	\$ 71	\$ -	\$ 539
Operating Margin	13.5%				15.7%
Other Income, Net	\$ 16	\$ -	\$ -	\$ (9)	\$ 7
Income Tax Expense	\$ (63)	\$ (2)	\$ (18)	\$ (40)	\$ (123)
Effective Tax Rate	14.0%				23.8%
Income from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 387	\$ 1	\$ 53	\$ (49)	\$ 392
Diluted Earnings per Share from Continuing Operations Attributable to TE Connectivity Ltd.	\$ 0.92	\$ -	\$ 0.13	\$ (0.12)	\$ 0.93

⁽¹⁾ Includes income tax benefits recognized in connection with a reduction in the valuation allowance associated with certain tax loss carryforwards partially offset by income tax expense related to adjustments to prior year income tax returns. In addition, the other income adjustment includes amounts related to reimbursements by Tyco International and Covidien in connection with pre-separation tax matters.

⁽²⁾ See description of non-GAAP measures contained in this appendix.

Reconciliation of Free Cash Flow

	For the Years Ended					
	September 27, 2013	September 28, 2012	September 30, 2011	September 24, 2010	September 25, 2009	September 26, 2008
	(in millions)					
Reconciliation of Free Cash Flow:						
Net cash provided by continuing operating activities	\$ 2,048	\$ 1,888	\$ 1,722	\$ 1,603	\$ 1,378	\$ 922
Capital expenditures, net	(576)	(510)	(509)	(364)	(315)	(568)
Pre-separation tax payments, net	28	19	129	-	-	-
Pre-separation litigation payments, net	-	-	-	25	102	-
Payments related to accrued interest on debt assumed in the acquisition of Deutsch	-	17	-	-	-	-
Payments to settle acquisition-related foreign currency derivative contracts	-	20	-	-	-	-
Voluntary Pension Contributions	-	-	-	69	61	-
Class Action Settlement	-	-	-	-	-	936
Free Cash Flow ⁽¹⁾	\$ 1,500	\$ 1,434	\$ 1,342	\$ 1,333	\$ 1,226	\$ 1,290

	For the Quarters Ended			
	June 27, 2014	March 28, 2014	December 27, 2013	September 27, 2013
	(in millions)			
Reconciliation of Free Cash Flow:				
Net cash provided by continuing operating activities	\$ 501	\$ 453	\$ 387	\$ 595
Capital expenditures, net	(171)	(159)	(121)	(183)
Pre-separation tax payments (receipts), net	200	(21)	-	-
Free cash flow ⁽¹⁾	\$ 530	\$ 273	\$ 266	\$ 412

⁽¹⁾ See description of non-GAAP measures contained in this appendix.