



A World Leader Enabling Connectivity

Message from the CEO

2009 Recap

Fiscal 2009 was a very tough economic year around the globe and the suddenness and severity of the downturn hit our company, like many others, very hard. Sales were down 29 percent from fiscal 2008 levels and operating profit fell 70 percent. At one point, our stock fell below \$8 per share and the value of the company decreased to approximately \$3.5 billion. Through this turmoil, we concentrated on three specific objectives: keeping focused on our customers; maintaining our financial strength; and executing on our strategy. I am pleased with how we performed against these objectives and in many ways I feel the company is stronger now than before the economic crisis.

Keeping Focused on Our Customers

During the downturn, we remained committed to what we do best: focusing on our customers. We were careful to protect our customer-facing resources and services and to continue to invest in the technologies and products our customers need for their next-generation products. Our annual customer surveys show that we maintained our positive reputation during these tough times — although we clearly understand there is always room for improvement. Most important, I believe the vast majority of our customers were reminded that they can count on TE during good times and bad.

Maintaining Our Financial Strength

Despite the significant decline in our sales, we were able to accomplish the following:

- Maintain strong cash flow, enabling us to reduce debt by \$800 million and maintain our dividend of \$300 million;
- Invest more than \$530 million in Research, Development & Engineering (RD&E); and
- Execute our restructuring ahead of schedule and re-size the business in line with the sales decline. This enabled us to stabilize our operating margins quickly and begin to improve margins in the second half of the year.

These aggressive cost actions have put the company on track to generate a 15 percent operating margin when sales return to the \$14 to \$15 billion range.

Executing on Our Strategy

During the past year, we made excellent progress focusing the company around our core connectivity businesses. This was a key element of our strategy when TE was established as a separate public company in June, 2007. In fiscal 2009, we divested our Wireless Systems and Battery Systems businesses, generating \$700 million in proceeds. The company is now much better focused, with a better margin profile. In the past year, we also formed the new Specialty Products Group to bring better focus to four of our smaller but highest growth and profit margin businesses. These businesses include Aerospace, Defense & Marine; Touch Systems; Medical Products; and Circuit Protection. We also combined two of our larger electronic components businesses into the Communications & Industrial Solutions business. This combination enabled us to realize short-term cost synergies, and also positions us to better leverage our technology portfolio and customer-facing resources to accelerate growth.

Looking Forward

Business conditions are now improving, especially in our consumer-related markets, although visibility in the short term remains limited. Our longer-term outlook for the markets we serve continues to be bullish. The demand for more energy and more efficient energy—and the increasing requirement that everyone be connected—is driving the need for more innovation and more electronics in virtually every industry. TE's connectivity products and solutions are an integral part of nearly every electronics system, in almost every industry.

TE is well-positioned to capitalize on these trends as we offer our customers a wide and deep range of connectivity-enabling technology platforms. We deliver our products and solutions with an extensive global network of people and operations designed to be close to our customer.

For the foreseeable future, the highest growth will come from the emerging markets—especially China, India, Latin America and Eastern Europe. There is no question these markets present formidable challenges, especially with the accelerating

CORPORATE OVERVIEW

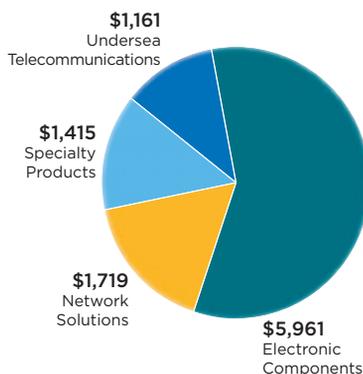
We are a world leader enabling connectivity by providing highly-engineered products and solutions for industries including: automotive; data communications and consumer electronics; telecommunications; aerospace, defense and marine; medical; energy; and lighting.

We are advancing cutting-edge innovation across a wide variety of technology platforms including: connectors; fiber optics; touch systems; circuit protection; advanced sealing and protection; relays; and wire and cable.

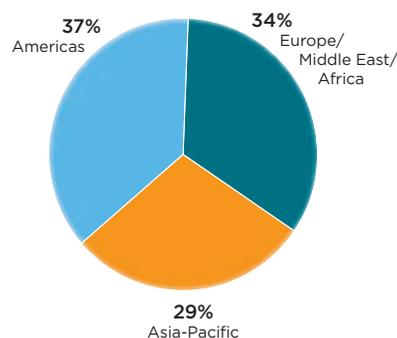
We are a global company with approximately 78,000 employees operating from locations in over 50 countries; 11 global design centers; approximately 7,000 engineers located close to customers; and more than 5,000 sales professionals serving customers in more than 150 countries.

2009 Financial Highlights

2009 NET SALES
BY SEGMENT
IN US\$ MILLIONS



2009 NET SALES
BY REGION



emergence of new competitors. The good news is that there is significant opportunity to grow and TE has been operating in these countries for decades, with substantial resources on the ground.

Our Goals

Over the past two years, our overriding objectives were to focus the company and improve operating leverage. We have made good progress in these areas and have a much stronger foundation from which to accelerate growth. Going forward, our goals are to:

- Grow at an average annual rate of 8 to 10 percent;
- Deliver 15 percent operating margins at a \$14 to \$15 billion revenue level; and
- Generate free cash flow that approximates net income.

We expect to deliver these results by continuing to better leverage TE’s wealth of technology; increasing our investment in RD&E; re-invigorating our sales channels, especially our indirect sales channels; and making strategic acquisitions. All the while, we will keep our attention on continuing to strengthen our operating performance.

In addition to these specific business-related goals, we continue to make solid progress in reducing the environmental impact of our operations, and we have set clear goals to significantly reduce greenhouse gas emissions, waste and water usage. Beyond these core energy and environmental efforts, our long-term goals are to integrate sustainability as part of our product development processes through the choices we make in our technologies, materials and processes, and to increase the use of clean energy sources. Our reputation as a valuable contributor to the communities in which we work requires nothing less.

In closing, I would like to take this opportunity to thank our employees for their contributions and commitment in fiscal 2009. In a very difficult year where we significantly reduced our workforce, they remained focused and delivered extraordinary performance against each of our objectives.

Despite a challenging fiscal 2009, our team is as excited as ever about the prospects for TE and is committed to making this company an outstanding partner for our customers; a great place to work for our people; and a high performing investment for our share owners.



Tom Lynch
Chief Executive Officer

Our connectivity products and solutions are an integral part of nearly every electronics system and our customers include the world’s leading companies.

\$10.3

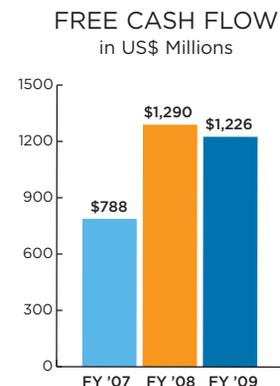
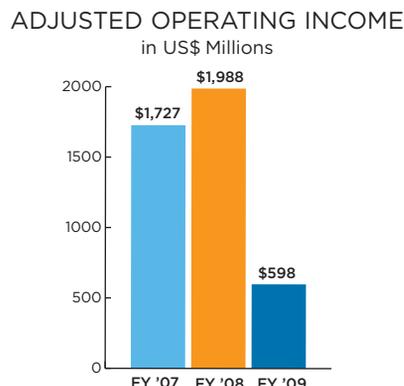
BILLION OF NET SALES

\$598

MILLION OF ADJUSTED OPERATING INCOME

\$1.2

BILLION OF FREE CASH FLOW





In a World Where Everything
**TE is a World
Enabling**



Transportation

From designing high-performance wire and cable solutions for the world's largest aircraft, to providing materials that withstand the rigors of the battlefield, to enabling lighter, more energy-efficient and more powerful systems for vehicles, TE products are embedded across the world's transportation systems.

Automotive / Aerospace & Defense / Marine / Rail

Energy Networks

From installing sensors that monitor lightning strikes in wind farms, to connecting overhead and underground systems throughout the electrical grid, to protecting sensitive electrical equipment in millions of homes and businesses, TE is enabling connectivity across energy networks worldwide.

Wind / Solar / Electric Utilities





Everything is Connected

Leader Connectivity

Electronic Devices

Working with customers at the leading edge of trends toward smaller, faster, lighter, safer and more powerful electronic devices and systems, TE helps put state-of-the-art capabilities in the palm of a hand and at the touch of a finger.

**Consumer Devices / Touch Systems / Circuit Protection /
Appliances / Industrial Equipment / Computers /
Medical Products / Data Communications Equipment**



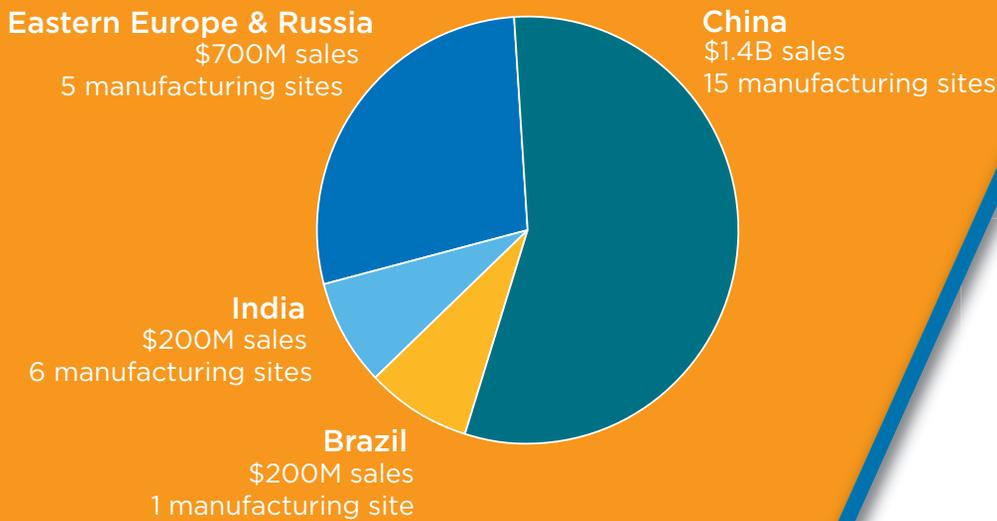
Communication Networks

Data is everywhere and so is TE. To meet the need for greater and more networked bandwidth, TE is a world leader enabling data networking connectivity—spanning the world's oceans with undersea telecommunication systems and bridging the continents through connections that bring information into homes and offices at the speed of light.

**Undersea Systems / Telecom Networks /
Enterprise Networks**



EMERGING MARKETS



Today, 25 percent of our revenue comes from emerging markets—China, India, Latin America and Eastern Europe.

For the foreseeable future, these countries are expected to be high-growth markets.

We have the experience and substantial resources to capitalize on these growth opportunities.

BOARD OF DIRECTORS (effective 1/15/2010, unless otherwise noted)

- **Frederic M. Poses***
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Ascend Performance Materials
 - **Robert M. Hernandez**
Chairman
RTI International Metals, Inc.
 - **Paula A. Sneed**
Chair & Chief Executive Officer
Phelps Prescott Group, LLC
 - **Dr. Pierre R. Brondeau**
President &
Chief Executive Officer
FMC Corporation
 - **Thomas J. Lynch**
Chief Executive Officer
Tyco Electronics Ltd.
 - **David P. Steiner**
Chief Executive Officer
Waste Management, Inc.
 - **Dr. Ram Charan**
Advisor to Executives and
Corporate Boards
 - **Daniel J. Phelan**
Chief of Staff
GlaxoSmithKline plc
 - **John C. Van Scoter**
Chief Executive Officer
eSolar, Inc.
(eff. 2/1/2010)
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Retired President
Tyco Electronics Ltd.
 - **Lawrence S. Smith**
Retired Executive
Vice President & Co-CFO
Comcast Corporation
- * Non-Executive Chairman of the Tyco Electronics Ltd. Board of Directors

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- **Thomas J. Lynch**
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Solutions
- **Eric J. Resch**
Senior Vice President
Chief Tax Officer
- **Mario Calastri**
Senior Vice President
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China
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Global Human Resources
- **Robert A. Scott**
Executive Vice President
General Counsel
- **Terrence R. Curtin**
Executive Vice President
Chief Financial Officer
- **Minoru Okamoto**
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Corporate Controller
- **Joan E. Wainwright**
Senior Vice President
Marketing & Communications
- **Joseph B. Donahue**
President
Global Automotive Division
- **Jeff Rea**
President
Specialty Products Group

NON-GAAP MEASURES

"Adjusted Operating Income" and "Free Cash Flow" (FCF) are non-GAAP* measures and should not be considered replacements for GAAP results. (*U.S. Generally Accepted Accounting Principles)

The company has presented its operating income before special items including charges related to legal settlements and reserves, restructuring charges, impairment charges and other income or charges ("Adjusted Operating Income"). The company utilizes 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 is also a significant component in the company's incentive compensation plans. Adjusted Operating Income is a useful measure for investors because it provides additional information about the company's 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 related to legal settlements and reserves, restructuring charges, impairment charges and other income or charges 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 the company's 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.

"Free Cash Flow" (FCF) is a useful measure of the company's cash generation which is free from any significant existing obligation. The difference between cash flows from operating activities (the most comparable GAAP measure) and FCF (the non-GAAP measure) consists mainly of significant cash outflows that the company believes are useful to identify. FCF permits management and investors to gain insight into the number that management employs to measure cash that is free from any significant existing obligation. The difference reflects the impact from:

- net capital expenditures,
- voluntary pension contributions, and
- cash impact of special items.

Net capital expenditures are subtracted because they represent long-term commitments. Voluntary pension contributions are subtracted from the GAAP measure because this activity is driven by economic financing decisions rather than operating activity. The company forecasts its cash flow results excluding any voluntary pension contributions

because it has not yet made a determination about the amount and timing of any future such contributions. In addition, the company's forecast excludes the cash impact of special items because the company cannot predict the amount and timing of such items.

The limitation associated with using FCF is that it subtracts cash items that are ultimately within management's and the Board of Directors' discretion to direct and that therefore may imply that there is less or more cash that is available for the company's programs than the most comparable GAAP measure. This limitation is best addressed by using FCF in combination with the GAAP cash flow numbers.

FCF as presented herein may not be comparable to similarly-titled measures reported by other companies. The measure should be used in conjunction with other GAAP financial measures. Investors are urged to read the company's financial statements as filed with the Securities and Exchange Commission.

Because the company does not predict the amount and timing of special items that might occur in the future, and its forecasts are developed at a level of detail different than that used to prepare GAAP-based financial measures, the company does not provide reconciliations to GAAP of its forward-looking financial measures.

ADJUSTED OPERATING INCOME (LOSS) RECONCILIATION

in US\$ Millions

	US GAAP	Adjustments				Adjusted (Non-GAAP)
		Impairment of Goodwill	Restructuring and Other Charges, Net and Related Costs	Separation Related Costs	Other Items, Net	
Operating Income (Loss):						
Fiscal 2009	\$ (3,474)	\$ 3,547	\$ 373 ⁽¹⁾	\$ -	\$ 152 ⁽²⁾	\$ 598
Fiscal 2008	1,663	103	228 ⁽³⁾	-	(6) ⁽⁴⁾	1,988
Fiscal 2007	655	-	100 ⁽⁵⁾	85 ⁽⁶⁾	887 ⁽⁷⁾	1,727

FREE CASH FLOW RECONCILIATION

in US\$ Millions

	FY 2007	FY 2008	FY 2009
Net cash provided by continuing operating activities	\$ 1,447	\$ 922	\$ 1,378
Capital expenditures, net	(822)	(568)	(315)
Pre-separation litigation payments	-	-	102
Voluntary pension contributions	-	-	61
Class action settlement	-	936	-
Income tax advance payment	163	-	-
FREE CASH FLOW	\$ 788	\$ 1,290	\$ 1,226

(1) Includes \$375 million recorded in net restructuring and other charges and a \$2 million credit recorded in cost of sales.

(2) Consists of \$144 million of costs related to the settlement of pre-separation securities litigation and \$8 million of costs related to a product liability matter from several years ago recorded in selling, general, and administrative expenses.

(3) Includes \$219 million recorded in net restructuring and other charges and \$9 million recorded in cost of sales.

(4) Consists of a \$36 million gain on the sale of real estate and \$8 million of costs related to a customs settlement, both of which are recorded in selling, general, and administrative expenses, and \$22 million of net costs related to the settlement of pre-separation securities litigation.

(5) Includes \$92 million recorded in net restructuring and other charges and \$5 million recorded in cost of sales. Also includes \$3 million of restructuring-related moving costs recorded in cost of sales.

(6) Includes \$44 million of separation costs, primarily related to employee costs, recorded in separation costs and \$41 million of costs, related to building separate company functions that did not exist in the prior year, recorded in selling, general, and administrative expenses.

(7) Consists of \$887 million of net costs related to pre-separation securities litigation.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This report may contain certain “forward-looking statements” within the meaning of the United States 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. Tyco Electronics has no intention and is under no obligation to update or alter (and expressly disclaims any such intention or obligation to do so) its 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 report include statements addressing our future financial condition and operating results. 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 developments in the credit markets; conditions affecting demand for products, particularly the automotive industry and the telecommunications, computer and consumer electronics industries; future goodwill impairment; competition and pricing pressure; fluctuations in foreign currency exchange rates and commodity prices; political, economic and military instability in countries in which we operate; 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. More detailed information about these and other factors is set forth in Tyco Electronics’ Annual Report on Form 10-K for the fiscal year ended September 25, 2009, as well as in Tyco Electronics’ Current Reports on Form 8-K and other reports filed by Tyco Electronics with the Securities and Exchange Commission.

TRADEMARKS

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TE Core Values

Integrity

We must demand of ourselves and of each other the highest standards of individual and corporate integrity. We safeguard company assets. We comply with all laws and company policies. We are dedicated to diversity, fair treatment, mutual respect and trust.

Accountability

We honor the commitments we make, and take personal responsibility for all actions and results. We create an operating discipline of continuous improvement that is an integral part of our culture.

Teamwork

We foster an environment that encourages innovation, creativity, excellence and results through teamwork. We practice leadership that teaches, inspires, and promotes full participation and career development. We encourage open and effective communication and interaction.

Innovation

We recognize that innovation is the foundation of our business. We challenge ourselves to develop new and improved ideas for all that we do. We encourage, expect and value creativity, openness to change, and fresh approaches.



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1-1773456-9
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