



Q2 2020 Earnings

April 28, 2020



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; 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. 27, 2019 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.

Key Messages

- **Delivered Q2 sales that were in-line with guidance and Adjusted EPS that was above the high end of our guidance range**
 - Adjusted operating margins were above 16% and reflect the diversity of our portfolio and the early execution of cost reduction actions
 - Demonstrated resiliency in manufacturing and operations due to our global manufacturing strategy and high levels of automation in our factories
- **Our balance sheet is strong, with a strong free cash flow generation model**
 - Greater than \$2B of liquidity available; expect FY20 FCF to exceed \$1B
 - Low leverage with Debt to EBITDA ratio of 1.5X in Q2*
- **Expect greater COVID-19 related demand impacts in the second half**
 - Driven primarily by the Transportation and Commercial Aerospace markets
 - Expect Q3 Sales to be down ~25% sequentially from Q2
- **Expect growth and margin expansion when demand returns**
 - Continue to execute on footprint consolidation efforts, with acceleration of cost actions; expect higher earnings leverage when markets return to growth
 - Well positioned to benefit from recovery in China and broader recovery in the Auto market
 - Continue to invest in content growth and benefit from secular trends across our business

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

* Represents the Ratio of Consolidated Total Debt to Consolidated EBITDA as defined in our five-year unsecured senior credit agreement. Please refer to the Appendix for additional information.

Q2 Highlights

Sales at midpoint of guidance and Adjusted EPS above the high end of guidance

- Sales of \$3.2B, down 6% on a reported basis and down 5% organically Y/Y; FX headwind of \$60M
 - Transportation down 5% organically, with weakness in all businesses
 - Industrial down 3% organically, with declines in Comm Air and Industrial Equipment
 - Communications down 13% organically, with declines in D&D and Appliances
- Orders grew sequentially, with a book to bill of 1.05
- Adjusted Operating Margins of 16.2%; Adjusted EPS of \$1.29, exceeding the high end of guidance
- YTD Free Cash Flow up 34% vs prior year; Q2 FCF of ~ \$310M with ~\$430M returned to shareholders

Due to limited visibility of future demand, withdrawing full year guidance

- Recent orders have slowed as a result of COVID-19 impacts
- Expect Q3 Sales to be down ~25% sequentially from Q2
 - Adjusted Operating Income fall through of ~45% on sequential revenue decline
- Expect second half weakness to be driven by the Transportation and CommAir markets
- Strong balance sheet with ample liquidity; expect FCF to exceed \$1B in FY20

Segment Orders Summary

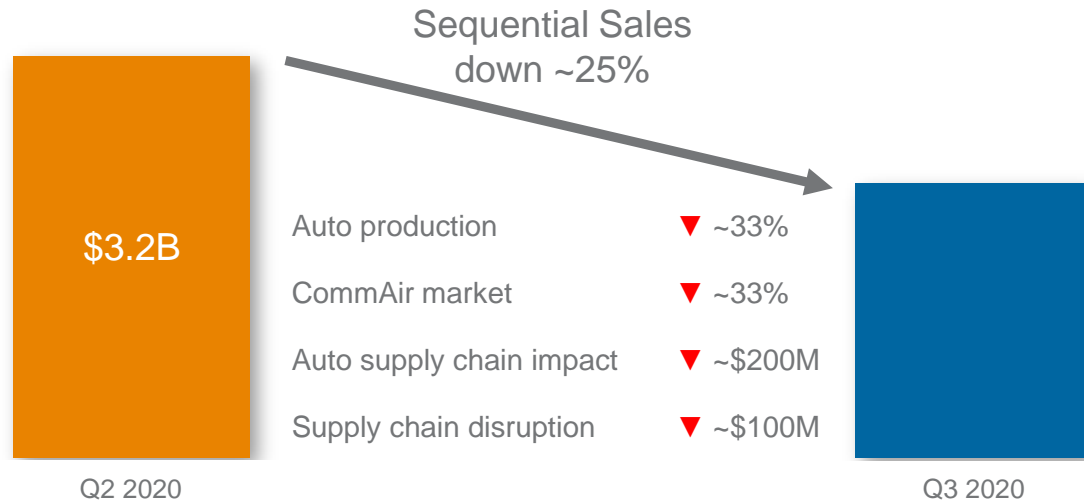
\$ in Millions

<u>Reported</u>	FY20	FY20	Growth	March & April Order Trends
	Q1	Q2	Q1 to Q2	
Transportation	1,867	1,849	(1)%	Erosion in Auto and Commercial Transportation
Industrial	965	1,051	9%	Erosion in CommAir; Stability in Defense, Medical & Energy
Communications	409	467	14%	Stable demand in D&D driven by Cloud applications
Total TE	3,241	3,367		Q2 orders strength reflects customers securing component supply in an uncertain environment
Book to Bill	1.02	1.05		

Order trends weakened in late March and April in Transportation and CommAir

Q2 to Q3 Sequential Sales Drivers

\$ in Millions



- Auto production expected to decline ~33% from ~18M vehicles produced in Q2 to ~12M in Q3
- Expect reduction in CommAir market of ~33% as a result of lower builds
- Auto supply chain impact of ~\$200M in Q2 impacting Q3
- Supply chain disruption impacting Q3 by ~\$100M

Q3 Sales expected to be down ~25% sequentially

Transportation Solutions

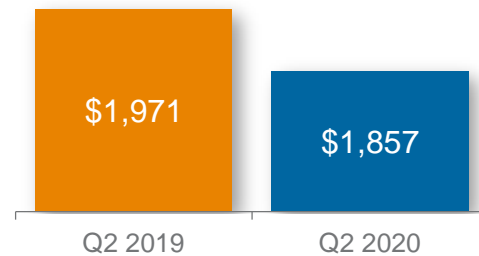


\$ in Millions

Q2 Sales

Reported

Down 6%

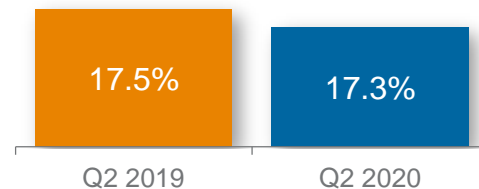


Organic

Down 5%

Q2 Adjusted Operating Margin

Adjusted Operating Margins ~flat on lower volumes



Adjusted EBITDA Margin 23.0% 23.6%

Q2 Business Performance

Y/Y Growth Rates		Reported	Organic
Automotive	\$1,365	(4)%	(2)%
Commercial Transportation	294	(9)%	(11)%
Sensors	198	(11)%	(15)%
Transportation Solutions	\$1,857	(6)%	(5)%

- Automotive sales down 2% organically on global auto production declines of ~20%; outperformance driven by customer supply chain builds ahead of production and content growth
- Commercial Transportation organic declines driven by weakness in all regions
- Sensors decline driven by weakness in industrial markets with ongoing weakness in commercial transportation

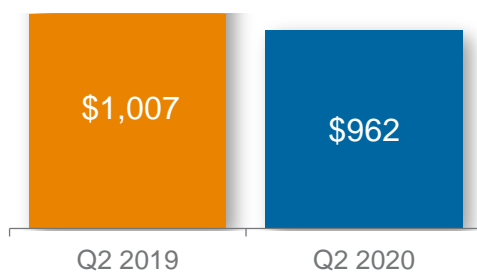
Industrial Solutions

\$ in Millions

Q2 Sales

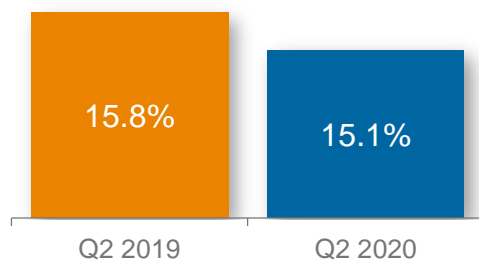
Reported
Down 5%

Organic
Down 3%



Q2 Adjusted Operating Margin

Adjusted Operating Margin of ~15%, as expected



Adjusted EBITDA Margin 20.0% 19.9%

Q2 Business Performance

Y/Y Growth Rates		Reported	Organic
Aerospace, Defense and Marine	\$318	(4)%	(3)%
Industrial Equipment	280	(14)%	(13)%
Medical	186	6%	6%
Energy	178	2%	6%
Industrial Solutions	\$962	(5)%	(3)%

- AD&M declines driven by weakness in Commercial Aerospace market, partially offset by growth in Defense
- Industrial Equipment declines driven by market weakness and continued distribution inventory corrections
- Medical growth driven by interventional medical applications
- Energy growth driven by growth in Europe and NA investments for upgraded infrastructure

Communications Solutions

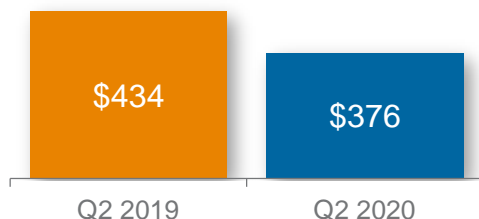


\$ in Millions

Q2 Sales

Reported

Down 13%

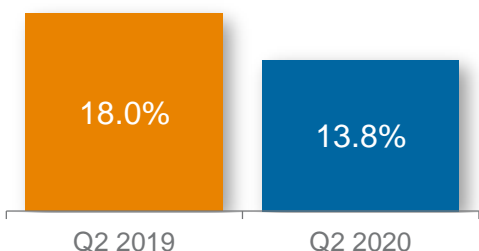


Organic

Down 13%

Q2 Adjusted Operating Margin

Adjusted Operating Margins in the mid-teens, as expected



Adjusted EBITDA Margin 22.6% 18.4%

Q2 Business Performance

Y/Y Growth Rates		Reported	Organic
Data & Devices	\$218	(13)%	(13)%
Appliances	158	(14)%	(12)%
Communications Solutions	\$376	(13)%	(13)%

- Communications Sales and Margin performance as expected
- Data & Devices declines driven by weakness in all regions and distribution destocking; continue to see growth in cloud related demand
- Appliances declines driven by weakness in all regions and inventory destocking trends

Q2 Financial Summary

(\$ in Millions, except per share amounts)	Q2 FY19	Q2 FY20
Net Sales	\$ 3,412	\$ 3,195
Operating Income (Loss)	\$ 530	\$ (415)
<i>Operating Margin</i>	15.5%	(13.0%)
Acquisition Related Charges	9	12
Restructuring & Other Charges, net	42	22
Impairment of Goodwill	-	900
Adjusted Operating Income	\$ 581	\$ 519
<i>Adjusted Operating Margin</i>	17.0%	16.2%
Earnings (Loss) Per Share*	\$ 1.26	\$ (1.35)**
Acquisition Related Charges	0.02	0.03
Restructuring & Other Charges, net	0.09	0.05
Impairment of Goodwill	-	2.67
Tax Items	0.04	(0.12)
Adjusted EPS	\$ 1.42	\$ 1.29

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

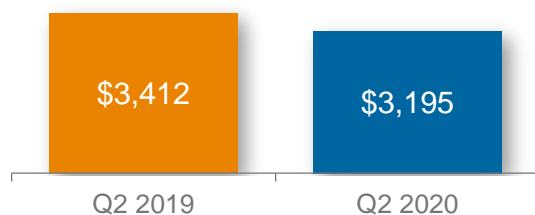
**U.S. GAAP diluted shares excludes one million of nonvested share awards and options outstanding as the inclusion of these securities would have been antidilutive because of our loss during the period. Such amounts are included in adjusted (non-GAAP) diluted shares.

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

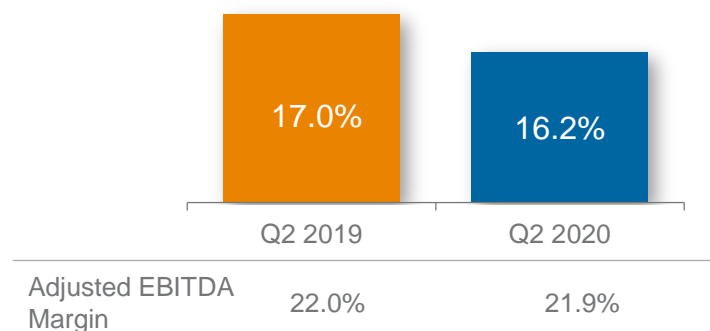


Q2 Financial Performance

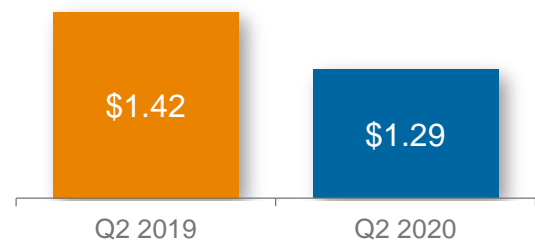
Sales



Adjusted Operating Margin



Adjusted EPS



Free Cash Flow

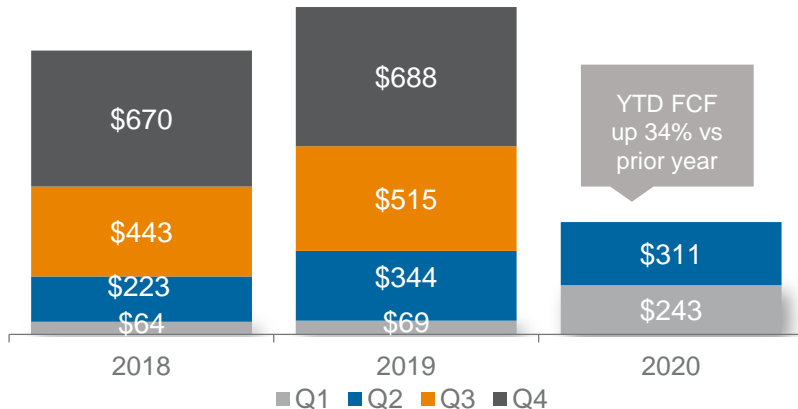


Strong position entering a weak environment

Free Cash Flow & Liquidity

\$ in Millions

Free Cash Flow*

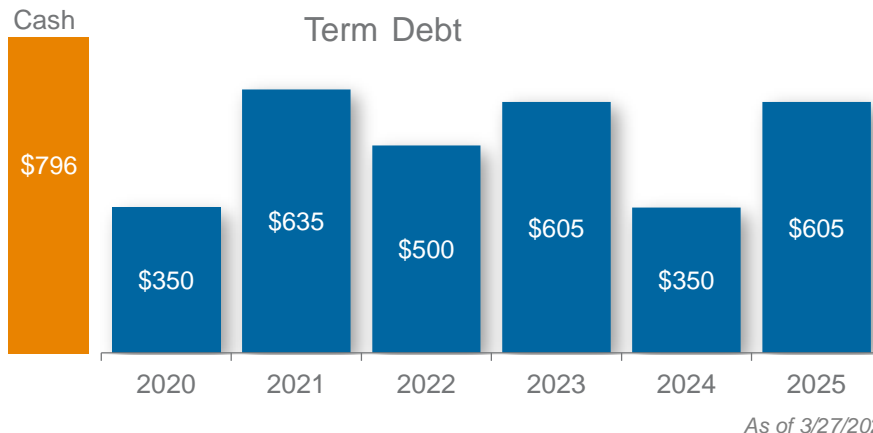


Priorities

- Remain committed to quarterly dividend
- Will continue to evaluate share repurchases
- Capital expenditures reduced by over \$100M

FY20 FCF expected to be >\$1B

Cash & Debt Maturity Profile**



Liquidity

- \$2.3B liquidity available
 - ~\$800M in cash
 - \$1.5B undrawn revolver
- Debt/EBITDA currently at 1.5x***

Strong liquidity position

Expectations Going Forward

3Q20 Expectations

- Expect Q3 sales to decline ~25% sequentially from Q2, with weakness driven by Transportation and CommAir markets and supply chain adjustments
- ~45% fall through on sequential revenue decline to adjusted operating income

Market Assumptions

- Global auto production expected to decline to ~12M vehicles in Q3
- Expect reduced production in Commercial Aerospace builds in 2H vs 1H
- Continue to benefit from favorable demand trends in Defense, Medical and Energy and Data & Devices markets

Actions We Are Taking

- Moved early to execute cost reduction and factory footprint consolidation plans
- Demonstrating resilience in global manufacturing; Flexing workforce based on temporary plant closures
- Reducing CapEx by over \$100M versus prior view to ~\$575M in FY20
- Will continue to evaluate cost structure as demand environment evolves

**Strong portfolio position and early cost actions enabling
TE to navigate a challenging demand environment**

Additional Information

Y/Y Q2 2020

	Sales (in millions)	Adjusted EPS
Q2 2019 Results	\$3,412	\$1.42
Operational Performance	(157)	(0.10)
FX Impact	(60)	(0.02)
Tax Rate Impact	-	(0.01)
Q2 2020 Results	\$3,195	\$1.29

Q2 Balance Sheet & Cash Flow Summary

Free Cash Flow and Working Capital

(\$ in Millions)	Q2 2019	Q2 2020
Cash from Continuing Operations	\$555	\$481
Capital expenditures, net	(179)	(132)
Cash (collected) pursuant to collateral requirements related to cross-currency swap contracts	(32)	(38)
Free Cash Flow	\$344	\$311
A/R	\$2,463	\$2,461
Days Sales Outstanding*	65	69
Inventory	\$1,970	\$2,001
Days on Hand*	75	80
Accounts Payable	\$1,485	\$1,390
Days Outstanding*	58	58

Liquidity, Cash & Debt

(\$ in Millions)	Q2 2019	Q2 2020
Beginning Cash Balance	\$505	\$742
Free Cash Flow	344	311
Dividends	(149)	(153)
Share repurchases	(220)	(269)
Net increase in debt	27	383
Acquisition of businesses, net of cash acquired	8	(244)
Other	50	26
Ending Cash Balance	\$565	\$796
Total Debt	\$3,982	\$4,355

Free Cash Flow is a non-GAAP financial measure, see Appendix for description and reconciliation



Appendix

Non-GAAP Financial Measures

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

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

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

Non-GAAP Financial Measures (cont.)

- Adjusted EBITDA and Adjusted EBITDA Margin - represent net income (loss) and net income (loss) as a percentage of net sales, respectively, (the most comparable GAAP financial measures) before interest expense, interest income, income taxes, depreciation, and amortization, as adjusted for net other income, income from discontinued operations, and special items including restructuring and other charges, acquisition-related charges, impairment of goodwill, and other income or charges, if any.
- Free Cash Flow (FCF) – is a useful measure of our ability to generate cash. The difference between net cash provided by continuing operating activities (the most comparable GAAP financial measure) and Free Cash Flow consists mainly of significant cash outflows and inflows that we believe are useful to identify. We believe Free Cash Flow provides useful information to investors as it provides insight into the primary cash flow metric used by management to monitor and evaluate cash flows generated from our operations. Free Cash Flow is defined as net cash provided by continuing operating activities excluding voluntary pension contributions and the cash impact of special items, if any, minus net capital expenditures. Voluntary pension contributions are excluded from the GAAP financial measure because this activity is driven by economic financing decisions rather than operating activity. Certain special items, including net payments related to pre-separation tax matters and cash paid (collected) pursuant to collateral requirements related to cross-currency swap contracts, are also excluded by management in evaluating Free Cash Flow. Net capital expenditures consist of capital expenditures less proceeds from the sale of property, plant, and equipment. These items are subtracted because they represent long-term commitments. In the calculation of Free Cash Flow, we subtract certain cash items that are ultimately within management's and the Board of Directors' discretion to direct and may imply that there is less or more cash available for our programs than the most comparable GAAP financial measure indicates. It should not be inferred that the entire Free Cash Flow amount is available for future discretionary expenditures, as our definition of Free Cash Flow does not consider certain non-discretionary expenditures, such as debt payments. In addition, we may have other discretionary expenditures, such as discretionary dividends, share repurchases, and business acquisitions, that are not considered in the calculation of Free Cash Flow.
- Adjusted Return on Invested Capital (ROIC) – represents adjusted net operating profit after tax divided by average invested capital. We use Adjusted Return on Invested Capital as an indicator of our capital efficiency. Adjusted Return on Invested Capital is not a measure defined by GAAP. It is calculated by us, in part, using non-GAAP financial measures. We are providing our calculation of Adjusted Return on Invested Capital as this measure may not be defined and calculated by other companies in the same manner.
- Ratio of Consolidated Total Debt to Consolidated EBITDA is a covenant used in our Amended and Restated Five-Year Senior Credit Agreement dated as of November 14, 2018 and filed as Exhibit 10.1 to our Current Report on Form 8-K filed with the SEC on November 14, 2018. Consolidated Total Debt and Consolidated EBITDA are adjusted financial measures as defined in the Credit Agreement.

Segment Summary

	For the Quarters Ended				For the Six Months Ended				
	March 27, 2020		March 29, 2019		March 27, 2020		March 29, 2019		
	(\$ in millions)								
	Net Sales		Net Sales		Net Sales		Net Sales		
Transportation Solutions	\$	1,857	\$	1,971	\$	3,725	\$	3,957	
Industrial Solutions		962		1,007		1,889		1,935	
Communications Solutions		376		434		749		867	
Total	\$	<u>3,195</u>	\$	<u>3,412</u>	\$	<u>6,363</u>	\$	<u>6,759</u>	
	Operating Income (Loss)	Operating Margin	Operating Income	Operating Margin	Operating Income (Loss)	Operating Margin	Operating Income	Operating Margin	
Transportation Solutions	\$	(606)	(32.6) %	\$	316	16.0 %	\$	648	16.4 %
Industrial Solutions		142	14.8		137	13.6		237	12.2
Communications Solutions		49	13.0		77	17.7		129	14.9
Total	\$	<u>(415)</u>	<u>(13.0) %</u>	\$	<u>530</u>	<u>15.5 %</u>	\$	<u>1,014</u>	<u>15.0 %</u>
	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	\$	322	17.3 %	\$	344	17.5 %	\$	700	17.7 %
Industrial Solutions		145	15.1		159	15.8		297	15.3
Communications Solutions		52	13.8		78	18.0		149	17.2
Total	\$	<u>519</u>	<u>16.2 %</u>	\$	<u>581</u>	<u>17.0 %</u>	\$	<u>1,146</u>	<u>17.0 %</u>

⁽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 March 27, 2020 versus Net Sales for the Quarter Ended March 29, 2019

	Net Sales		Organic Net Sales		Translation ⁽²⁾	Acquisitions
	Growth (Decline)		Growth (Decline) ⁽¹⁾			
	(\$ in millions)					
Transportation Solutions ⁽³⁾:						
Automotive	\$ (60)	(4.2) %	\$ (29)	(2.1) %	\$ (31)	\$ -
Commercial transportation	(30)	(9.3)	(36)	(11.1)	(8)	14
Sensors	(24)	(10.8)	(33)	(14.9)	(3)	12
Total	<u>(114)</u>	<u>(5.8)</u>	<u>(98)</u>	<u>(5.0)</u>	<u>(42)</u>	<u>26</u>
Industrial Solutions ⁽³⁾:						
Aerospace, defense, oil, and gas	(13)	(3.9)	(10)	(2.9)	(3)	-
Industrial equipment	(46)	(14.1)	(40)	(12.5)	(6)	-
Medical	10	5.7	10	5.7	-	-
Energy	4	2.3	10	5.6	(6)	-
Total	<u>(45)</u>	<u>(4.5)</u>	<u>(30)</u>	<u>(3.0)</u>	<u>(15)</u>	<u>-</u>
Communications Solutions ⁽³⁾:						
Data and devices	(33)	(13.1)	(33)	(13.1)	-	-
Appliances	(25)	(13.7)	(22)	(11.9)	(3)	-
Total	<u>(58)</u>	<u>(13.4)</u>	<u>(55)</u>	<u>(12.6)</u>	<u>(3)</u>	<u>-</u>
Total	<u>\$ (217)</u>	<u>(6.4) %</u>	<u>\$ (183)</u>	<u>(5.4) %</u>	<u>\$ (60)</u>	<u>\$ 26</u>

Change in Net Sales for the Six Months Ended March 27, 2020 versus Net Sales for the Six Months Ended March 29, 2019

	Net Sales		Organic Net Sales		Translation ⁽²⁾	Acquisitions
	Growth (Decline)		Growth (Decline) ⁽¹⁾			
	(\$ in millions)					
Transportation Solutions ⁽³⁾:						
Automotive	\$ (124)	(4.3) %	\$ (72)	(2.5) %	\$ (52)	\$ -
Commercial transportation	(69)	(11.1)	(81)	(13.2)	(15)	27
Sensors	(39)	(8.8)	(58)	(13.1)	(5)	24
Total	<u>(232)</u>	<u>(5.9)</u>	<u>(211)</u>	<u>(5.3)</u>	<u>(72)</u>	<u>51</u>
Industrial Solutions ⁽³⁾:						
Aerospace, defense, oil, and gas	11	1.8	17	2.8	(6)	-
Industrial equipment	(98)	(15.3)	(87)	(13.7)	(11)	-
Medical	21	6.1	22	6.3	(1)	-
Energy	20	6.0	29	8.7	(9)	-
Total	<u>(46)</u>	<u>(2.4)</u>	<u>(19)</u>	<u>(1.0)</u>	<u>(27)</u>	<u>-</u>
Communications Solutions ⁽³⁾:						
Data and devices	(71)	(14.0)	(71)	(14.0)	-	-
Appliances	(47)	(13.1)	(43)	(11.7)	(4)	-
Total	<u>(118)</u>	<u>(13.6)</u>	<u>(114)</u>	<u>(13.1)</u>	<u>(4)</u>	<u>-</u>
Total	<u>\$ (396)</u>	<u>(5.9) %</u>	<u>\$ (344)</u>	<u>(5.1) %</u>	<u>\$ (103)</u>	<u>\$ 51</u>

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

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

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

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended March 27, 2020

	U.S. GAAP	Adjustments				Adjusted (Non-GAAP) ⁽⁴⁾
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Impairment of Goodwill ⁽¹⁾	Tax Items ⁽²⁾	
(\$ in millions, except per share data)						
Operating income (loss):						
Transportation Solutions	\$ (606)	\$ 10	\$ 18	\$ 900	\$ -	\$ 322
Industrial Solutions	142	2	1	-	-	145
Communications Solutions	49	-	3	-	-	52
Total	<u>\$ (415)</u>	<u>\$ 12</u>	<u>\$ 22</u>	<u>\$ 900</u>	<u>\$ -</u>	<u>\$ 519</u>
Operating margin	<u>(13.0) %</u>					<u>16.2 %</u>
Other income, net	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8)</u>	<u>\$ 3</u>
Income tax expense	<u>\$ (42)</u>	<u>\$ (2)</u>	<u>\$ (4)</u>	<u>\$ (4)</u>	<u>\$ (31)</u>	<u>\$ (83)</u>
Effective tax rate	<u>(10.2) %</u>					<u>16.1 %</u>
Income (loss) from continuing operations	<u>\$ (452)</u>	<u>\$ 10</u>	<u>\$ 18</u>	<u>\$ 896</u>	<u>\$ (39)</u>	<u>\$ 433</u>
Diluted earnings (loss) per share from continuing operations ⁽³⁾	<u>\$ (1.35)</u>	<u>\$ 0.03</u>	<u>\$ 0.05</u>	<u>\$ 2.67</u>	<u>\$ (0.12)</u>	<u>\$ 1.29</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 an income tax benefit related to pre-separation tax matters and the termination of the tax sharing agreement with Tyco International and Covidien, as well as the related impact to net other income.

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

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

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended March 29, 2019

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽³⁾
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽²⁾	
(\$ in millions, except per share data)					
Operating income:					
Transportation Solutions	\$ 316	\$ 4	\$ 24	\$ -	\$ 344
Industrial Solutions	137	5	17	-	159
Communications Solutions	77	-	1	-	78
Total	<u>\$ 530</u>	<u>\$ 9</u>	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ 581</u>
Operating margin	<u>15.5%</u>				<u>17.0%</u>
Other income, net	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>
Income tax expense	<u>\$ (91)</u>	<u>\$ (2)</u>	<u>\$ (10)</u>	<u>\$ 15</u>	<u>\$ (88)</u>
Effective tax rate	<u>17.5%</u>				<u>15.4%</u>
Income from continuing operations	<u>\$ 429</u>	<u>\$ 7</u>	<u>\$ 32</u>	<u>\$ 15</u>	<u>\$ 483</u>
Diluted earnings per share from continuing operations	<u>\$ 1.26</u>	<u>\$ 0.02</u>	<u>\$ 0.09</u>	<u>\$ 0.04</u>	<u>\$ 1.42</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 income tax expense associated with the tax impacts of certain legal entity restructurings and intercompany transactions.

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

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Six Months Ended March 27, 2020

	Adjustments					Adjusted (Non-GAAP) ⁽⁴⁾
	U.S. GAAP	Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Impairment of Goodwill ⁽¹⁾	Tax Items ⁽²⁾	
	(\$ in millions, except per share data)					
Operating income (loss):						
Transportation Solutions	\$ (290)	\$ 15	\$ 22	\$ 900	\$ -	\$ 647
Industrial Solutions	257	4	16	-	-	277
Communications Solutions	89	-	8	-	-	97
Total	<u>\$ 56</u>	<u>\$ 19</u>	<u>\$ 46</u>	<u>\$ 900</u>	<u>\$ -</u>	<u>\$ 1,021</u>
Operating margin	<u>0.9 %</u>					<u>16.0 %</u>
Other income, net	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8)</u>	<u>\$ 8</u>
Income tax expense	<u>\$ (489)</u>	<u>\$ (3)</u>	<u>\$ (4)</u>	<u>\$ (4)</u>	<u>\$ 324</u>	<u>\$ (176)</u>
Effective tax rate	<u>815.0 %</u>					<u>17.3 %</u>
Income (loss) from continuing operations	<u>\$ (429)</u>	<u>\$ 16</u>	<u>\$ 42</u>	<u>\$ 896</u>	<u>\$ 316</u>	<u>\$ 841</u>
Diluted earnings (loss) per share from continuing operations ⁽³⁾	<u>\$ (1.28)</u>	<u>\$ 0.05</u>	<u>\$ 0.13</u>	<u>\$ 2.67</u>	<u>\$ 0.94</u>	<u>\$ 2.50</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 income tax expense related to the tax impacts of certain measures of Swiss tax reform. Also includes an income tax benefit related to pre-separation tax matters and the termination of the tax sharing agreement with Tyco International and Covidien, as well as the related impact to net other income.

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

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

Reconciliation of Non-GAAP Financial Measures to GAAP

Financial Measures for the Six Months Ended March 29, 2019

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽³⁾
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽²⁾	
(\$ in millions, except per share data)					
Operating income:					
Transportation Solutions	\$ 648	\$ 7	\$ 45	\$ -	\$ 700
Industrial Solutions	237	8	52	-	297
Communications Solutions	129	-	20	-	149
Total	<u>\$ 1,014</u>	<u>\$ 15</u>	<u>\$ 117</u>	<u>\$ -</u>	<u>\$ 1,146</u>
Operating margin	<u>15.0 %</u>				<u>17.0 %</u>
Income tax expense	<u>\$ (169)</u>	<u>\$ (3)</u>	<u>\$ (29)</u>	<u>\$ 15</u>	<u>\$ (186)</u>
Effective tax rate	<u>17.2 %</u>				<u>16.7 %</u>
Income from continuing operations	<u>\$ 812</u>	<u>\$ 12</u>	<u>\$ 88</u>	<u>\$ 15</u>	<u>\$ 927</u>
Diluted earnings per share from continuing operations	<u>\$ 2.37</u>	<u>\$ 0.04</u>	<u>\$ 0.26</u>	<u>\$ 0.04</u>	<u>\$ 2.71</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 income tax expense associated with the tax impacts of certain legal entity restructurings and intercompany transactions.

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

Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures for the Quarter Ended June 28, 2019

	U.S. GAAP	Adjustments			Adjusted (Non-GAAP) ⁽³⁾
		Acquisition- Related Charges ⁽¹⁾	Restructuring and Other Charges, Net ⁽¹⁾	Tax Items ⁽²⁾	
(\$ in millions, except per share data)					
Operating income:					
Transportation Solutions	\$ 308	\$ 6	\$ 53	\$ -	\$ 367
Industrial Solutions	156	3	8	-	167
Communications Solutions	56	-	6	-	62
Total	<u>\$ 520</u>	<u>\$ 9</u>	<u>\$ 67</u>	<u>\$ -</u>	<u>\$ 596</u>
Operating margin	<u>15.3 %</u>				<u>17.6 %</u>
Other income, net	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>
Income tax (expense) benefit	<u>\$ 245</u>	<u>\$ (1)</u>	<u>\$ (17)</u>	<u>\$ (307)</u>	<u>\$ (80)</u>
Effective tax rate	<u>(47.8) %</u>				<u>13.6 %</u>
Income from continuing operations	<u>\$ 758</u>	<u>\$ 8</u>	<u>\$ 50</u>	<u>\$ (307)</u>	<u>\$ 509</u>
Diluted earnings per share from continuing operations	<u>\$ 2.24</u>	<u>\$ 0.02</u>	<u>\$ 0.15</u>	<u>\$ (0.91)</u>	<u>\$ 1.50</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 a \$214 million income tax benefit related to the tax impacts of certain measures of Swiss tax reform and a \$93 million income tax benefit related to the effective settlement of a tax audit in a non-U.S. jurisdiction.

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

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

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

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

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

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

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

Reconciliation of Free Cash Flow

	For the Quarters Ended		For the Six Months Ended	
	March 27, 2020	March 29, 2019	March 27, 2020	March 29, 2019
	(in millions)			
Net cash provided by operating activities:				
Net cash provided by continuing operating activities	\$ 481	\$ 555	\$ 892	\$ 883
Net cash provided by (used in) discontinued operating activities	-	1	-	(30)
	481	556	892	853
Net cash used in investing activities	(378)	(165)	(667)	(85)
Net cash used in financing activities	(31)	(333)	(345)	(1,052)
Effect of currency translation on cash	(18)	2	(11)	1
Net increase (decrease) in cash, cash equivalents, and restricted cash	<u>\$ 54</u>	<u>\$ 60</u>	<u>\$ (131)</u>	<u>\$ (283)</u>
Net cash provided by continuing operating activities	\$ 481	\$ 555	\$ 892	\$ 883
Excluding:				
Cash collected pursuant to collateral requirements related to cross-currency swap contracts	(38)	(32)	(32)	(82)
Capital expenditures, net	(132)	(179)	(306)	(388)
Free cash flow⁽¹⁾	<u>\$ 311</u>	<u>\$ 344</u>	<u>\$ 554</u>	<u>\$ 413</u>

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

Reconciliation of Free Cash Flow

	For the Quarters Ended								
	December 27, 2019	September 27, 2019	June 28, 2019	March 29, 2019	December 28, 2018	September 28, 2018	June 29, 2018	March 30, 2018	December 29, 2017
	(in millions)								
Net cash provided by operating activities:									
Net cash provided by continuing operating activities	\$ 411	\$ 879	\$ 692	\$ 555	\$ 328	\$ 922	\$ 734	\$ 362	\$ 283
Net cash provided by (used in) discontinued operating activities	-	(1)	(1)	1	(31)	2	66	15	67
	411	878	691	556	297	924	800	377	350
Net cash provided by (used in) investing activities	(289)	(153)	(454)	(165)	80	(419)	(233)	(201)	(241)
Net cash used in financing activities	(314)	(334)	(257)	(333)	(719)	(420)	(338)	(330)	(634)
Effect of currency translation on cash	7	(10)	1	2	(1)	(7)	(18)	9	11
Net increase (decrease) in cash, cash equivalents, and restricted cash	\$ (185)	\$ 381	\$ (19)	\$ 60	\$ (343)	\$ 78	\$ 211	\$ (145)	\$ (514)
Net cash provided by continuing operating activities	\$ 411	\$ 879	\$ 692	\$ 555	\$ 328	\$ 922	\$ 734	\$ 362	\$ 283
Excluding:									
Receipts related to pre-separation U.S. tax matters, net	-	-	-	-	-	-	-	(5)	-
Cash (collected) paid pursuant to collateral requirements related to cross-currency swap contracts	6	(39)	(11)	(32)	(50)	6	(69)	61	18
Capital expenditures, net	(174)	(152)	(166)	(179)	(209)	(258)	(222)	(195)	(237)
Free cash flow⁽¹⁾	\$ 243	\$ 688	\$ 515	\$ 344	\$ 69	\$ 670	\$ 443	\$ 223	\$ 64

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

Adjusted Return on Invested Capital (ROIC)

	As of or for the Quarters Ended							
	March 27, 2020	December 27, 2019	September 27, 2019	June 28, 2019	March 29, 2019	December 28, 2018	September 28, 2018	June 29, 2018
	(\$ in millions)							
Operating income (loss)	\$ (415)	\$ 471	\$ 444	\$ 520	\$ 530	\$ 484	\$ 570	\$ 554
Acquisition-related charges and other items	12	7	23	9	9	6	5	5
Restructuring and other charges, net	22	24	71	67	42	75	22	64
Impairment of goodwill	900	-	-	-	-	-	-	-
Adjusted operating income ⁽¹⁾	<u>\$ 519</u>	<u>\$ 502</u>	<u>\$ 538</u>	<u>\$ 596</u>	<u>\$ 581</u>	<u>\$ 565</u>	<u>\$ 597</u>	<u>\$ 623</u>
Amortization expense	\$ 46	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45
Adjustment ⁽²⁾	-	-	-	-	(2)	(1)	-	(1)
Adjusted amortization expense	<u>\$ 46</u>	<u>\$ 45</u>	<u>\$ 45</u>	<u>\$ 45</u>	<u>\$ 43</u>	<u>\$ 44</u>	<u>\$ 45</u>	<u>\$ 44</u>
Adjusted operating income plus adjusted amortization expense	<u>\$ 565</u>	<u>\$ 547</u>	<u>\$ 583</u>	<u>\$ 641</u>	<u>\$ 624</u>	<u>\$ 609</u>	<u>\$ 642</u>	<u>\$ 667</u>
Income (loss) from continuing operations before income taxes	\$ (410)	\$ 470	\$ 437	\$ 513	\$ 520	\$ 461	\$ 546	\$ 530
Acquisition-related charges and other items	12	7	23	9	9	6	5	5
Restructuring and other charges, net	22	24	71	67	42	75	22	64
Impairment of goodwill	900	-	-	-	-	-	-	-
Tax items	(8)	-	-	-	-	-	-	-
Adjusted income from continuing operations before income taxes	<u>\$ 516</u>	<u>\$ 501</u>	<u>\$ 531</u>	<u>\$ 589</u>	<u>\$ 571</u>	<u>\$ 542</u>	<u>\$ 573</u>	<u>\$ 599</u>
Income taxes paid, net of refunds	<u>\$ 101</u>	<u>\$ 43</u>	<u>\$ 61</u>	<u>\$ 100</u>	<u>\$ 102</u>	<u>\$ 75</u>	<u>\$ 76</u>	<u>\$ 109</u>
Adjusted cash tax rate	19.6 %	8.6 %	11.5 %	17.0 %	17.9 %	13.8 %	13.3 %	18.2 %
Adjusted net operating profit after taxes	<u>\$ 454</u>	<u>\$ 500</u>	<u>\$ 516</u>	<u>\$ 532</u>	<u>\$ 513</u>	<u>\$ 525</u>	<u>\$ 557</u>	<u>\$ 546</u>
Trailing four quarter adjusted net operating profit after taxes	<u>\$ 2,002</u>				<u>\$ 2,141</u>			
Total debt	\$ 4,355	\$ 3,973	\$ 3,965	\$ 4,036	\$ 3,982	\$ 3,967	\$ 4,000	\$ 4,008
Total TE Connectivity Ltd. shareholders' equity	9,066	10,557	10,570	10,622	9,994	10,236	10,831	9,492
Invested capital	<u>\$ 13,421</u>	<u>\$ 14,530</u>	<u>\$ 14,535</u>	<u>\$ 14,658</u>	<u>\$ 13,976</u>	<u>\$ 14,203</u>	<u>\$ 14,831</u>	<u>\$ 13,500</u>
Trailing four quarter average invested capital	<u>\$ 14,286</u>				<u>\$ 14,128</u>			
Adjusted ROIC ⁽¹⁾	<u>14.0 %</u>				<u>15.2 %</u>			

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

⁽²⁾ Adjustment for non-cash amortization associated with fair value adjustments related to acquired customer order backlog as these charges are included in the acquisition-related charges and other items line.

Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

	For the Quarters Ended	
	March 27, 2020	March 29, 2019
	(\$ in millions)	
Net income (loss)	\$ (456)	\$ 439
(Income) loss from discontinued operations	4	(10)
Income tax expense	42	91
Other income, net	(11)	(1)
Interest expense	11	15
Interest income	(5)	(4)
Operating income (loss)	(415)	530
Acquisition-related charges	12	9
Restructuring and other charges, net	22	42
Impairment of goodwill	900	-
Adjusted operating income ⁽¹⁾	519	581
Depreciation and amortization ⁽²⁾	180	171
Adjusted EBITDA ⁽¹⁾	<u>\$ 699</u>	<u>\$ 752</u>
Net sales	\$ 3,195	\$ 3,412
Net income as a percentage of net sales	(14.3) %	12.9 %
Adjusted EBITDA margin ⁽¹⁾	21.9 %	22.0 %

	For the Quarters Ended							
	March 27, 2020				March 29, 2019			
	Transportation Solutions	Industrial Solutions	Communications Solutions	Total	Transportation Solutions	Industrial Solutions	Communications Solutions	Total
	(\$ in millions)							
Operating income (loss)	\$ (606)	\$ 142	\$ 49	\$ (415)	\$ 316	\$ 137	\$ 77	\$ 530
Acquisition-related charges	10	2	-	12	4	5	-	9
Restructuring and other charges, net	18	1	3	22	24	17	1	42
Impairment of goodwill	900	-	-	900	-	-	-	-
Adjusted operating income ⁽¹⁾	322	145	52	519	344	159	78	581
Depreciation and amortization ⁽²⁾	117	46	17	180	109	42	20	171
Adjusted EBITDA ⁽¹⁾	<u>\$ 439</u>	<u>\$ 191</u>	<u>\$ 69</u>	<u>\$ 699</u>	<u>\$ 453</u>	<u>\$ 201</u>	<u>\$ 98</u>	<u>\$ 752</u>
Net sales	\$ 1,857	\$ 962	\$ 376	\$ 3,195	\$ 1,971	\$ 1,007	\$ 434	\$ 3,412
Operating margin	(32.6) %	14.8 %	13.0 %	(13.0) %	16.0 %	13.6 %	17.7 %	15.5 %
Adjusted operating margin ⁽¹⁾	17.3 %	15.1 %	13.8 %	16.2 %	17.5 %	15.8 %	18.0 %	17.0 %
Adjusted EBITDA margin ⁽¹⁾	23.6 %	19.9 %	18.4 %	21.9 %	23.0 %	20.0 %	22.6 %	22.0 %

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

⁽²⁾ Excludes non-cash amortization associated with fair value adjustments related to acquired customer order backlog of \$2 million for the quarter March 29, 2019, as these charges are included in the acquisition-related charges line.

Ratio of Consolidated Total Debt to Consolidated EBITDA (as defined in the Credit Facility)*

	As of and for the Twelve Months Ended March 27, 2020
	(\$ in millions)
Consolidated Total Debt (as defined in the Credit Facility) ⁽¹⁾:	
Short-term debt	\$ 601
Long-term debt	3,765
Consolidated Total Debt (as defined in the Credit Facility) ⁽¹⁾	\$ 4,366
Consolidated EBITDA (as defined in the Credit Facility) ⁽²⁾:	
Net income	\$ 699
Tax Sharing Agreement-related income	(8)
Consolidated net income	691
Interest expense	49
Income tax expense	305
Depreciation and amortization	703
Share-based compensation expense	74
Loss from discontinued operations, net of income taxes	6
Non-recurring charges:	
Acquisition-related charges	51
Restructuring and other charges, net	184
Impairment of goodwill	900
Pension and postretirement benefits expense in excess of minimum required contributions	8
Consolidated EBITDA (as defined in the Credit Facility) ⁽²⁾	\$ 2,971
Ratio of Consolidated Total Debt to Consolidated EBITDA (as defined in the Credit Facility)	1.5 x

*Our five-year unsecured senior revolving credit facility ("Credit Facility") contains a financial ratio covenant providing that if, as of the last day of each fiscal quarter, the ratio of Consolidated Total Debt at such time to Consolidated EBITDA for the then most recently concluded period of four consecutive fiscal quarters of TE Connectivity Ltd. exceeds 3.75 to 1.00, subject to certain limited exceptions in the event of qualifying acquisitions (as described in the Credit Facility), an Event of Default (as defined in the Credit Facility) is triggered.

⁽¹⁾ Represents Consolidated Total Debt as defined in our Credit Facility. Balances represent the face amount of debt and exclude net unamortized discounts, premiums, and debt issuance costs and the effects of fair value hedge-designated interest rate swap contracts.

⁽²⁾ Represents Consolidated EBITDA as defined in our Credit Facility and is calculated using the most recently concluded period of four consecutive fiscal quarters.