FLEX

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(In millions, except per share amounts)

	Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25		YTD FY25		Q1 FY26		Q2 FY26		Q3 FY26	
GAAP gross profit	$ 471	7.5%	$ 531	8.1%	$ 594	9.1%	$ 563	8.8%	$ 2,159	8.4%	$ 572	8.7%	$ 614	9.0%	$ 679	9.6%
Stock-based compensation expense (1)	8		8		8		8		32		8		9		9	
Restructuring charges (3)	16		15		10		27		68		16		9		4	
Customer related asset impairment (recoveries) (4)	-		-		(2)		4		2		-		-		(2)	
Non-GAAP gross profit	$ 495	7.8%	$ 554	8.5%	$ 610	9.3%	$ 602	9.4%	$ 2,261	8.8%	$ 596	9.1%	$ 632	9.3%	$ 690	9.8%
GAAP SG&A expenses	$ 213	3.4%	$ 216	3.3%	$ 241	3.7%	$ 234	3.7%	$ 904	3.5%	$ 233	3.5%	$ 260	3.8%	$ 270	3.8%
Stock-based compensation expense (1)	(24)		(20)		(25)		(24)		(93)		(26)		(28)		(28)	
Legal and other (5)	-		-		(5)		(4)		(9)		(6)		(9)		(12)	
Non-GAAP SG&A expenses	$ 189	3.0%	$ 196	3.0%	$ 211	3.2%	$ 206	3.2%	$ 802	3.1%	$ 201	3.1%	$ 223	3.3%	$ 230	3.3%
GAAP operating income	$ 233	3.7%	$ 297	4.5%	$ 334	5.1%	$ 305	4.8%	$ 1,169	4.5%	$ 311	4.7%	$ 296	4.4%	$ 389	5.5%
Intangible amortization (2)	16		16		17		21		70		21		16		15	
Stock-based compensation expense (1)	32		28		33		32		125		34		37		37	
Restructuring and impairment charges (3)	25		17		12		30		84		23		51		9	
Customer related asset impairment (recoveries) (4)	-		-		(2)		4		2		-		-		(2)	
Legal and other (5)	-		-		5		4		9		6		9		12	
Non-GAAP operating income	$ 306	4.8%	$ 358	5.5%	$ 399	6.1%	$ 396	6.2%	$ 1,459	5.7%	$ 395	6.0%	$ 409	6.0%	$ 460	6.5%
GAAP provision for income taxes	$ 53	27.6%	$ 50	18.9%	$ 25	8.7%	$ 57	20.4%	$ 185	18.1%	$ 54	22.0%	$ 63	24.0%	$ 81	25.3%
Intangible amortization (2)	3		4		3		5		15		5		3		4	
Other tax related adjustments (8)	(2)		15		27		3		43		14		14		1	
Non-GAAP provision for income taxes	$ 54	20.4%	$ 69	21.3%	$ 55	15.3%	$ 65	18.6%	$ 243	18.7%	$ 73	21.0%	$ 80	21.1%	$ 86	20.9%
GAAP net income	$ 139		$ 214		$ 263		$ 222		$ 838		$ 192		$ 199		$ 239	
Intangible amortization (2)	16		16		17		21		70		21		16		15	
Stock-based compensation expense (1)	32		28		33		32		125		34		37		37	
Restructuring and impairment charges (3)	25		17		12		30		84		23		51		9	
Customer related asset impairment (recoveries) (4)	-		-		(2)		4		2		-		-		(2)	
Legal and other (5)	-		-		5		4		9		6		9		12	
Interest and other, net (6)	-		(1)		6		(20)		(15)		-		(3)		21	
Equity in losses of unconsolidated affiliates (7)	-		-		-		-		-		17		8		-	
Adjustments for taxes (8)	(1)		(19)		(30)		(8)		(58)		(19)		(17)		(5)	
Non-GAAP net income	$ 211		$ 255		$ 304		$ 285		$ 1,055		$ 274		$ 300		$ 326	
Diluted earnings per share:																
GAAP	$ 0.34		$ 0.54		$ 0.67		$ 0.57		$ 2.11		$ 0.50		$ 0.52		$ 0.64	
Non-GAAP	$ 0.51		$ 0.64		$ 0.77		$ 0.73		$ 2.65		$ 0.72		$ 0.79		$ 0.87	
Diluted shares used in computing per share amounts	411		400		394		389		398		381		380		376	

(1) to (8) Refer to page 2 for the descriptions of these footnotes.

FLEX
DEFINITIONS FOR RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(1) Stock-based compensation expense consists of non-cash charges for the estimated fair value of unvested restricted share units granted to employees and assumed in business acquisitions. The Company believes that the exclusion of these charges provides for more accurate comparisons of its operating results to peer companies due to the varying available valuation methodologies, subjective assumptions and the variety of award types. In addition, the Company believes it is useful to investors to understand the specific impact stock-based compensation expense has on its operating results.

(2) Intangible amortization consists primarily of non-cash charges that can be impacted by, among other things, the timing and magnitude of acquisitions. The Company considers its operating results without these charges when evaluating its ongoing performance and forecasting its earnings trends, and therefore excludes such charges when presenting non-GAAP financial measures. The Company believes that the assessment of its operations excluding these costs is relevant to its assessment of internal operations and comparisons to the performance of its competitors.

(3) Restructuring and impairment charges include severance charges at existing sites and corporate SG&A functions as well as asset impairment, and other charges related to the closures and consolidations of certain operating sites and targeted activities to restructure the business. These costs also include asset impairment charges related to assets significantly impacted by the geopolitical events on the basis of management's best estimate of the recoverable value of assets. These costs may vary in size based on the Company's initiatives, are not directly related to ongoing or core business results, and do not reflect expected future operating expenses. These costs are excluded by the Company's management in assessing current operating performance and forecasting its earnings trends and are therefore excluded by the Company from its non-GAAP measures.

During the three and nine-month periods ended December 31, 2025, the Company recognized approximately $4 million and $37 million of restructuring charges, respectively. During the fiscal year 2025, the Company recognized approximately $84 million of restructuring charges. Most of these charges are related to employee severance.

During the three and nine-month period ended December 31, 2025, the Company recognized $5 million and $46 million, respectively, in asset impairments, inventory write-downs and other charges as a result of an August 21, 2025 missile strike on the Company's Mukachevo, Ukraine operations located in Western Ukraine. The August 21, 2025 missile strike represents an unusual and infrequent event as hostilities related to the Russian invasion of Ukraine have been primarily focused in Eastern Ukraine. The missile strike caused substantial destruction, disrupted Mukachevo's normal operations and Flex initiated contingency manufacturing plans at alternative manufacturing facilities. The Company expects additional immaterial near-term inefficiencies as Mukachevo's operations are restored.

(4) Customer related asset impairments (recoveries) may consist of non-cash impairments of property and equipment to estimated fair value for customers from whom we have disengaged or are in the process of disengaging as well as additional provisions for doubtful accounts receivable for customers that are experiencing financial difficulties and inventory that is considered non-recoverable that is written down to net realizable value. In subsequent periods, the Company may recover a portion of the costs previously incurred related to assets impaired or reduced to net realizable value. During the three and nine-month periods ended December 31, 2025, the Company recognized approximately $2 million of customer related asset recoveries. During the fiscal year 2025, the Company recognized approximately $2 million of customer related asset impairments. These costs are excluded by the Company's management in assessing current operating performance and forecasting its earnings trends and are therefore excluded by the Company from its non-GAAP measures.

(5) Legal and other consist primarily of costs not directly related to core business results and may include matters relating to commercial disputes, government regulatory and compliance, intellectual property, antitrust, tax, employment or shareholder issues, product liability claims and other costs such as acquisition and portfolio optimization related costs and asset impairment. During the three and nine-month periods ended December 31, 2025, the Company incurred approximately $12 million and $27 million, respectively, related to other costs. During the fiscal year 2025, the Company accrued $5 million related to asset impairment and $4 million related to acquisition costs. These costs are excluded by the Company's management in assessing current operating performance and forecasting its earnings trends and are therefore excluded by the Company from its non-GAAP measures.

(6) Interest and other, net consist of various other types of items that are not directly related to ongoing or core business results, such as the gain or losses related to certain divestitures, currency translation reserve write-offs upon liquidation of certain legal entities, debt extinguishment costs and impairment charges or gains associated with certain non-core investments. The Company excludes these items because they are not related to the Company's ongoing operating performance or do not affect core operations. During the three and nine-month periods ended December 31, 2025, the Company incurred $21 million and $18 million, respectively, predominantly related to an impairment of a non-core unconsolidated cost method investment. During the fourth quarter of fiscal year 2025, the Company realized a $19 million bargain purchase gain from an acquisition where the fair value of identifiable assets was in excess of the purchase consideration.

(7) Equity in losses of unconsolidated affiliates consists of various other types of items that are not directly related to ongoing or core business results, such as significant gains or losses associated with certain non-core investments. The Company excludes these items because they are not related to the Company's ongoing operating performance or do not affect core operations. Excluding these amounts provides investors with a basis to compare Company performance against the performance of other companies without this variability. During the nine-month period ended December 31, 2025, the Company recognized approximately $25 million of equity in losses from a reduced valuation of a certain non-core investment fund. No such event occurred in the fiscal year 2025.

(8) Adjustments for taxes relates to the tax effects of the various adjustments that we incorporate into non-GAAP measures in order to provide a more meaningful measure on non-GAAP net income and certain adjustments related to non-recurring settlements of tax contingencies or other non-recurring tax charges, when applicable. Effective in fiscal year 2026, the Company adopted an annual normalized tax rate for the purpose of determining the tax effect of non-GAAP adjustments. In estimating the normalized tax rate, the Company utilizes a full-year projection of earnings that considers the mix of earnings across tax jurisdictions, existing tax positions and other significant tax matters. During the three and nine-month periods ended December 31, 2025, the Company recognized a $5 million and $41 million net tax benefit, respectively, and during the fiscal year 2025, the Company recorded $58 million, related to the tax effects of various adjustments. For the three and nine-month periods ended December 31, 2025, the Company incurred a charge to income tax expense of $19 million related to the resolution of a tax dispute with a foreign tax authority related to fiscal years 2010 through 2020. For the three and nine-month periods ended December 31, 2024, the Company recognized approximately $26 million of interest recoverable on prior periods taxes paid by one of our Brazilian subsidiaries.

FLEX

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions)

	FISCAL 2025				FISCAL 2026		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
ASSETS							
Current assets:							
Cash and cash equivalents	$ 2,243	$ 2,601	$ 2,313	$ 2,289	$ 2,239	$ 2,249	$ 3,057
Accounts receivable, net of allowance	2,952	3,502	3,382	3,671	3,924	3,857	3,837
Contract assets	457	595	633	616	751	819	881
Inventories	5,839	5,466	5,270	5,071	5,208	5,270	5,549
Other current assets	1,057	1,187	1,158	1,194	1,345	1,647	1,828
Total current assets	12,548	13,351	12,756	12,841	13,467	13,842	15,152
Property and equipment, net	2,228	2,254	2,241	2,330	2,329	2,352	2,393
Operating lease right-of-use assets, net	573	581	578	562	686	703	667
Goodwill	1,139	1,146	1,332	1,341	1,369	1,375	1,375
Other intangible assets, net	230	223	343	343	330	314	300
Other non-current assets	1,019	1,031	1,022	964	951	960	933
Total non-current assets	5,189	5,235	5,516	5,540	5,665	5,704	5,668
Total assets	$ 17,737	$ 18,586	$ 18,272	$ 18,381	$ 19,132	$ 19,546	$ 20,820
LIABILITIES AND SHAREHOLDERS' EQUITY							
Current liabilities:							
Bank borrowings and current portion of long-term debt	$ 543	$ 531	$ 532	$ 1,209	$ 677	$ 676	$ 675
Accounts payable	4,726	5,144	5,033	5,147	5,799	6,125	6,482
Accrued payroll and benefits	428	473	511	560	494	568	590
Deferred revenue and customer working capital advances	2,265	2,134	1,942	1,957	1,876	1,914	1,959
Other current liabilities	1,007	1,024	1,019	977	1,075	1,091	1,150
Total current liabilities	8,969	9,306	9,037	9,850	9,921	10,374	10,856
Long-term debt, net of current portion	2,672	3,178	3,147	2,483	3,004	3,013	3,760
Operating lease liabilities, non-current	463	476	475	456	583	604	583
Other non-current liabilities	637	623	621	590	535	520	500
Total non-current liabilities	3,772	4,277	4,243	3,529	4,122	4,137	4,843
Total liabilities	12,741	13,583	13,280	13,379	14,043	14,511	15,699
Total shareholders' equity	4,996	5,003	4,992	5,002	5,089	5,035	5,121
Total liabilities and shareholders' equity	$ 17,737	$ 18,586	$ 18,272	$ 18,381	$ 19,132	$ 19,546	$ 20,820

FLEX
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	FISCAL 2025					FISCAL 2026			
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	YTD
CASH FLOWS FROM OPERATING ACTIVITIES:									
Net income	$ 139	$ 214	$ 263	$ 222	$ 838	$ 192	$ 199	$ 239	$ 630
Depreciation, amortization, and other impairment charges	126	131	144	138	539	142	156	135	433
Changes in working capital and other, net	75	(26)	6	73	128	65	98	46	209
Net cash provided by operating activities	340	319	413	433	1,505	399	453	420	1,272
CASH FLOWS FROM INVESTING ACTIVITIES:									
Purchases of property and equipment	(111)	(103)	(112)	(112)	(438)	(133)	(150)	(148)	(431)
Proceeds from the disposition of property and equipment	3	3	5	4	15	2	2	3	7
Acquisition of businesses, net of cash acquired	2	(3)	(346)	(58)	(405)	(41)	(2)	3	(40)
Proceeds from divestiture of businesses, net of cash held in divested businesses	-	-	-	(21)	(21)	-	(4)	-	(4)
Other investing activities, net	24	(21)	18	(10)	11	(7)	(1)	4	(4)
Net cash used in investing activities	(82)	(124)	(435)	(197)	(838)	(179)	(155)	(138)	(472)
CASH FLOWS FROM FINANCING ACTIVITIES:									
Proceeds from bank borrowings and long-term debt	-	499	-	-	499	500	-	751	1,251
Payments of bank borrowings, long-term debt and other financing liabilities	(41)	(16)	(1)	-	(58)	(532)	(3)	(7)	(542)
Payments for repurchase of ordinary shares	(457)	(300)	(201)	(299)	(1,257)	(247)	(297)	(200)	(744)
Other financing activities, net	30	(36)	(1)	2	(5)	(4)	8	(15)	(11)
Net cash provided by (used in) financing activities	(468)	147	(203)	(297)	(821)	(283)	(292)	529	(46)
Effect of exchange rates on cash and cash equivalents	(21)	16	(43)	17	(31)	13	4	(3)	14
Net change in cash and cash equivalents	(231)	358	(268)	(44)	(185)	(50)	10	808	768
Cash and cash equivalents, beginning of period	2,474	2,243	2,601	2,333	2,474	2,289	2,239	2,249	2,289
Cash and cash equivalents, end of period	$ 2,243	$ 2,601	$ 2,333	$ 2,289	$ 2,289	$ 2,239	$ 2,249	$ 3,057	$ 3,057
Reconciliation of GAAP to Non-GAAP Financial Measures									
Net cash provided by operating activities	340	319	413	433	1,505	399	453	420	1,272
Net capital expenditures	(108)	(100)	(107)	(108)	(423)	(131)	(148)	(145)	(424)
Free cash flow	$ 232	$ 219	$ 306	$ 325	$ 1,082	$ 268	$ 305	$ 275	$ 848

FLEX
Trended Segment Income & Reconciliation to Operating Income
(In millions, except for operating margin)

	FISCAL 2025					FISCAL 2026		
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3
Net sales:								
Flex Agility Solutions	$ 3,365	$ 3,606	$ 3,599	$ 3,504	$ 14,074	$ 3,691	$ 3,766	$ 3,818
Flex Reliability Solutions	2,949	2,939	2,957	2,894	11,739	2,884	3,038	3,240
Total segment sales	$ 6,314	$ 6,545	$ 6,556	$ 6,398	$ 25,813	$ 6,575	$ 6,804	$ 7,058
Segment income:								
Flex Agility Solutions	$ 179	$ 218	$ 227	$ 230	$ 854	$ 240	$ 227	$ 239
Flex Reliability Solutions	147	159	198	180	684	172	197	233
Corporate and Other *	(20)	(19)	(26)	(14)	(79)	(17)	(15)	(12)
Total segment income	$ 306	$ 358	$ 399	$ 396	$ 1,459	$ 395	$ 409	$ 460
Operating Margin:								
Flex Agility Solutions	*5.3%*	*6.1%*	*6.3%*	*6.6%*	*6.1%*	*6.5%*	*6.0%*	*6.3%*
Flex Reliability Solutions	*5.0%*	*5.4%*	*6.7%*	*6.2%*	*5.8%*	*6.0%*	*6.5%*	*7.2%*
Reconciliation of operating income to segment income								
GAAP Operating Income	$ 233	$ 297	$ 334	$ 305	$ 1,169	$ 311	$ 296	$ 389
Intangible Amortization (2)	16	16	17	21	70	21	16	15
Stock-based compensation expense (1)	32	28	33	32	125	34	37	37
Restructuring and impairment charges (3)	25	17	12	30	84	23	51	9
Customer related asset impairment (recoveries) (4)	-	-	(2)	4	2	-	-	(2)
Legal and other (5)	-	-	5	4	9	6	9	12
Total Segment Income	$ 306	$ 358	$ 399	$ 396	$ 1,459	$ 395	$ 409	$ 460

(1) to (5) Refer to page 2 for the descriptions of these footnotes.

*Corporate and Other includes centralized administrative costs that are not included in the assessment of the performance of each of the identified segments.