



Fourth Quarter Review

14 / November / 2013

tyco

// Forward-Looking Statements / Safe Harbor

This presentation contains a number of forward-looking statements. In many cases forward-looking statements are identified by words, and variations of words, such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "positioned," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. Examples of forward looking statements include, but are not limited to, revenue, operating income and other financial projections, statements regarding the health and growth prospects of the industries and end markets in which Tyco operates, the leadership, resources, potential, priorities, and opportunities for Tyco in the future, statements regarding Tyco's credit profile and capital allocation priorities, and statements regarding Tyco's acquisition, divestiture, restructuring and capital market related activities. The forward-looking statements in this presentation are based on current expectations and assumptions that are subject to risks and uncertainties, many of which are outside of our control, and could cause results to materially differ from expectations. Such risks and uncertainties include, but are not limited to:

- Economic, business competitive, technological or regulatory factors that adversely impact Tyco or the markets and industries in which it competes;
- Changes in tax requirements (including tax rate changes, new tax laws or treaties and revised tax law interpretations);
- Results and consequences of Tyco's internal investigations and governmental investigations concerning its governance, management, internal controls and operations including its business operations outside the United States;
- The outcome of litigation, arbitrations and governmental proceedings, including the effect of income tax audits, appeals and litigation;
- Economic, legal and political conditions in international markets, including governmental changes and restrictions on the ability to transfer capital across borders;
- Changes in capital market conditions, including availability of funding sources, currency exchange rate fluctuations, and interest rate fluctuations and other changes in borrowing cost;
- The possible effects on us of pending and future legislation in the United States that may limit or eliminate potential U.S. tax benefits resulting from Tyco's jurisdiction of incorporation or deny U.S. government contracts to us based upon Tyco's jurisdiction of incorporation;
- The ability of the Company to achieve anticipated cost savings and to execute on its portfolio refinement and acquisition strategies, including successfully integrating acquired operations;
- The ability of the Company to realize the expected benefits of the 2012 separation transactions, including the integration of its commercial security and fire protection businesses;
- Availability and fluctuations in the prices of key raw materials, and events that could impact the ability of our suppliers to perform ;
- Natural events such as severe weather, fires, floods and earthquakes.

Actual results could differ materially from anticipated results. More detailed information about these and other factors is set forth on Tyco's Annual Report on Form 10-K for the fiscal year ended September 28, 2012 and in subsequent filings with the Securities and Exchange Commission.

Tyco is under no obligation (and expressly disclaims any obligation) to update its forward-looking statements.

// Reflecting On Year One

//Solid first year both strategically and operationally

//Delivered strong results

//Significantly improved business fundamentals

//Strategy focused on disciplined growth and continuous operational improvement

//Supplemented internal growth with strategic bolt-on acquisitions – strengthening position in service, vertical markets, our growth geographies and leading-edge technologies

Right On Track Executing On Our Strategy

// Full Year 2013 Results – Financial Overview

(EPS amounts are fully diluted and attributable to Tyco common shareholders)
(\$ in millions, except per-share amounts)

(\$ in millions)	FY13	FY12	Change
Revenue	\$10,647	\$10,403	2%
Segment Operating Income before special items *	\$1,411	\$1,341	5%
Segment Operating Margin before special items*	13.3%	12.9%	+40bps
Corporate Expense before special items*	\$236	\$331	(29%)
Tax Rate before special items*	18.3%	18.1%	
EPS from Cont. Ops. before special items*	\$1.84	\$1.38	33%

// Segment operating margin before special items* improved 80bps year over year, on a normalized basis**

// Earnings per share before special items* increased 13% over the prior year, on a normalized basis**

// Underlying segment operations contributed \$0.18 of earnings per share increase year over year, on a normalized basis**

Great First Year As The “New” Tyco



* Segment operating income, segment operating margin, corporate expense, tax rate and EPS from continuing operations before special items are non-GAAP measures. For a reconciliation to the most comparable GAAP measures, please see Appendix.

**Normalized 2012 results adjust pre-separation corporate and interest expense to post-separation estimated levels and dis-synergies associated with the separation of the commercial security operations in North America from ADT. See Non-GAAP reconciliation.

// Fiscal 2013 Highlights

//Revenue of \$10.6 billion with organic revenue* growth of 1%

- Products +6%, Service +3.5% and Installation (4%)

//Segment operating margin before special items* improved 80 basis points, year over year, on normalized basis**

//Earnings per share before special items* increased 13% over the prior year, on a normalized basis**

//Orders growth of 3% year over year, excluding impact of foreign currency

- Products +11%, Service +4% and Installation (2)%



*Organic revenue, segment operating margin and earnings per share before special items are non-GAAP measures. For a reconciliation to the most comparable GAAP measures, please see Appendix.

**Normalized fourth quarter 2012 results adjust for dis-synergies associated with the separation of the commercial security operations in North America from ADT. See Non-GAAP reconciliation.

// Q4 2013 Results – Financial Overview

(EPS amounts are fully diluted and attributable to Tyco common shareholders)
(\$ in millions, except per-share amounts)

(\$ in millions)	Q4FY13	Q4FY12	Change
Revenue	\$2,761	\$2,728	1%
Segment Operating Income before special items *	\$392	\$362	8%
Segment Operating Margin before special items*	14.2%	13.3%	+90bps
Corporate Expense before special items*	\$63	\$103	(39%)
Tax Rate before special items*	18.8%	28.1%	
EPS from Cont. Ops. before special items*	\$0.52	\$0.34	53%

// Segment operating margin before special items* improved 130bps year over year, on a normalized basis**

// Earnings per share before special items* increased 16% over the prior year, on a normalized basis**

// Underlying segment operations contributed \$0.07 of earnings per share increase year over year, on a normalized basis**

Solid Finish To The Fiscal Year



* Segment operating income, segment operating margin, corporate expense, tax rate and EPS from continuing operations before special items are non-GAAP measures. For a reconciliation to the most comparable GAAP measures, please see Appendix.

**Normalized fourth quarter 2012 results adjust pre-separation corporate and interest expense to post-separation estimated levels and dis-synergies associated with the separation of the commercial security operations in North America from ADT. See Non-GAAP reconciliation.

// Q4 Highlights

// Revenue of \$2.8 billion with organic revenue* growth of 1%

- Products +8%, Service +4% and Installation (6%)

// Segment operating margin before special items* improved 130 basis points, year over year, on normalized basis**

// Earnings per share before special items* increased 16% over the prior year, on a normalized basis**

// Orders growth of 4% year over year, excluding impact of foreign currency

- Products +5%, Service +5% and Installation +3%
- First positive quarter of installation orders since Q3 of last year

// Backlog of \$5.3 billion increased 5% year over year and, due to normal seasonality declined 2% on a quarter sequential basis, excluding impact of foreign currency



*Organic revenue, segment operating margin and earnings per share before special items are non-GAAP measures. For a reconciliation to the most comparable GAAP measures, please see Appendix.

**Normalized fourth quarter 2012 results adjust for dis-synergies associated with the separation of the commercial security operations in North America from ADT. See Non-GAAP reconciliation.

// Q4 Highlights, continued

// Executed disciplined bolt-on acquisitions and divested non-core businesses

- Closed previously announced acquisition of Exacq Technologies and Beijing Master Systems Engineering
- Earlier this morning, announced acquisition of Westfire, Inc., a leading fire installation and service provider in U.S., Chile and Peru
- Signed definitive agreement to divest Armourguard business in New Zealand and fire and security business in Fiji

// Fourth Quarter – NA Installation & Services

(\$ in millions)	Q4FY13	Q4FY12	Change
Revenue	\$996	\$1,042	(4%)
Operating Income*	\$133	\$128	4%
Operating Margin*	13.4%	12.3%	110bps

// Organic revenue* declined 2% year over year

- Service was up 5%
- Installation declined 10%

// Operating margin* increased 130 bps sequentially and 200bps year over year on a normalized** basis

- More service revenue
- Improved installation margin
- Savings from sourcing and productivity

// Order activity slightly positive, excluding currency

- Service orders were up 5%
- Install orders down 5.5%

// Backlog of \$2.4 billion decreased 1.5% due to normal seasonality, on a quarter sequential basis, excluding the impact of foreign currency

- Decreased 2% year over year, due to project selectivity
- Security installation backlog margin up about 150 bps over last year



*Organic revenue, operating income and operating margin before special items are non-GAAP measures. For a reconciliation to the most comparable GAAP measures, please see Appendix.

**Normalized fourth quarter 2012 results adjust for dis-synergies associated with the separation of the commercial security operations in North America from ADT. See Non-GAAP reconciliation.

// Fourth Quarter – ROW Installation & Services

(\$ in millions)	Q4FY13	Q4FY12	Change
Revenue	\$1,138	\$1,128	1%
Operating Income*	\$137	\$135	1%
Operating Margin*	12.0%	12.0%	–

// Organic revenue* increased 1%

- Service grew 3%
- Installation declined 1.5%

// A two percentage point benefit from acquisitions was offset by changes in foreign currency exchange rates

// Operating margin* consistent with prior year

- Approximately 70 basis point reduction in margin due to \$7 million of unanticipated tax charges in the quarter, primarily related to a joint venture in Latin America

// Orders increased 8% year over year, excluding currency

- Service orders were up 5%
- Installation orders increased 12%

// Backlog of \$2.7 billion decreased 1% due to normal seasonality, on a quarter sequential basis, excluding impact of foreign currency,

- Up 11% year over year

// Fourth Quarter – Global Products

(\$ in millions)	Q4FY13	Q4FY12	Change
Revenue	\$627	\$558	12%
Operating Income*	\$122	\$99	23%
Operating Margin*	19.5%	17.7%	180bps

// Organic revenue* increased 8% with growth across all three platforms

// Acquisitions contributed two and half percentage points of growth

// Orders increased 5% year over year, excluding impact of foreign currency

- Prior quarter included three percentage points of order increase from last chance order opportunity in Scott Safety business related to new X-3 air-pak in anticipation of new NFPA standards

// Operating margin* improved 180 bps, year over year

- Solid operating leverage
- Benefits from sourcing and productivity

// Delivered on 18% full year 2013 operating margin commitment

// Other Items

// Corporate expense before special items was \$63 million in the quarter and \$236 million for the year

- **Outlook:** Expect fiscal 2014 Corporate expense to be in the range of ~\$225 to ~\$230 million

// Tax rate excluding special items was 18.8% for the quarter and 18.3% for the year

- **Outlook:** Expect Q1 and full year tax rate to be in the range of ~18% to ~19%

// Free cash flow* for the year of \$445 million included \$381 million of cash paid for special items. Adjusted free cash flow was \$826 million

- Represents conversion rate of 95% to income from continuing operations

// Weighted average share count of 471 million for the quarter and 472 for the full year

- **Outlook:** Expected weighted average share count of 470 million for the full year

Appendix

TYCO INTERNATIONAL LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share data)
(Unaudited)

	Quarters Ended		Twelve Months Ended	
	September 27, 2013	September 28, 2012	September 27, 2013	September 28, 2012
Revenue from product sales	\$ 1,565	\$ 1,557	\$ 5,953	\$ 5,845
Service revenue	1,196	1,171	4,694	4,558
Net revenue	2,761	2,728	10,647	10,403
Cost of product sales	1,063	1,051	4,087	3,977
Cost of services	667	677	2,679	2,649
Selling, general and administrative expenses	731	749	2,930	2,903
Separation costs	(1)	61	8	71
Restructuring, asset impairment and divestiture charges, net	39	37	134	118
Operating income	262	153	809	685
Interest income	3	5	17	19
Interest expense	(25)	(33)	(100)	(209)
Other income (expense), net	1	(453)	(29)	(454)
Income (loss) from continuing operations before income taxes	241	(328)	697	41
Income tax expense	(52)	(294)	(125)	(348)
Equity loss in earnings of unconsolidated subsidiaries	(30)	(7)	(48)	(26)
Income (loss) from continuing operations	159	(629)	524	(333)
Income from discontinued operations, net of income taxes	4	210	9	804
Net income (loss)	163	(419)	533	471
Less: noncontrolling interest in subsidiaries net income	(3)	-	(3)	(1)
Net income (loss) attributable to Tyco common shareholders	\$ 166	\$ (419)	\$ 536	\$ 472
Amounts attributable to Tyco common shareholders:				
Income (loss) from continuing operations	\$ 162	\$ (629)	\$ 527	\$ (332)
Income from discontinued operations	4	210	9	804
Net income (loss) attributable to Tyco common shareholders	\$ 166	\$ (419)	\$ 536	\$ 472
Basic earnings per share attributable to Tyco common shareholders:				
Income (loss) from continuing operations	\$ 0.35	\$ (1.36)	\$ 1.14	\$ (0.72)
Income from discontinued operations	0.01	0.45	0.01	1.74
Net income (loss) attributable to Tyco common shareholders	\$ 0.36	\$ (0.91)	\$ 1.15	\$ 1.02
Diluted earnings per share attributable to Tyco common shareholders:				
Income (loss) from continuing operations	\$ 0.34	\$ (1.36)	\$ 1.12	\$ (0.72)
Income from discontinued operations	0.01	0.45	0.02	1.74
Net income (loss) attributable to Tyco common shareholders	\$ 0.35	\$ (0.91)	\$ 1.14	\$ 1.02
Weighted-average number of shares outstanding:				
Basic	463	462	465	463
Diluted	471	462	472	463

Note: These financial statements should be read in conjunction with the Consolidated Financial Statements and accompanying notes contained in the Company's Annual Report on Form 10-K for the fiscal year ended September 28, 2012 and Quarterly Report on Form 10-Q for the quarter ended June 28, 2013.

TYCO INTERNATIONAL LTD.
RESULTS OF SEGMENTS
(in millions)
(Unaudited)

	Quarters Ended		Twelve Months Ended						
	September 27, 2013	September 28, 2012			September 27, 2013	September 28, 2012			
Net Revenue									
NA Installation & Services	\$ 996	\$ 1,042			\$ 3,891	\$ 3,962			
ROW Installation & Services	1,138	1,128			4,417	4,341			
Global Products	627	558			2,339	2,100			
Total Net Revenue	\$ 2,761	\$ 2,728			\$ 10,647	\$ 10,403			
Operating Income and Margin									
NA Installation & Services	\$ 113	11.3% \$ 109	10.5%		\$ 388	10.0% \$ 374	9.4%		
ROW Installation & Services	110	9.7% 123	10.9%		433	9.8% 456	10.5%		
Global Products	119	19.0% 88	15.8%		307	13.1% 353	16.8%		
Corporate and Other	(80)	N/M (167)	N/M		(319)	N/M (498)	N/M		
Operating Income and Margin	\$ 262	9.5% \$ 153	5.6%		\$ 809	7.6% \$ 685	6.6%		

TYCO INTERNATIONAL LTD.
CONSOLIDATED BALANCE SHEETS
(in millions)
(Unaudited)

	<u>September 27, 2013</u>	<u>September 28, 2012</u>
Assets		
Cash and cash equivalents	\$ 563	\$ 844
Accounts receivable, net	1,738	1,696
Inventories	655	634
Prepaid expenses and other current assets	857	884
Deferred income taxes	254	295
Total current assets	<u>4,067</u>	<u>4,353</u>
Property, plant and equipment, net	1,677	1,670
Goodwill	4,519	4,367
Intangible assets, net	804	771
Other assets	1,109	1,204
Total Assets	<u>\$ 12,176</u>	<u>\$ 12,365</u>
Liabilities and Equity		
Loans payable and current maturities of long-term debt	\$ 20	\$ 10
Accounts payable	899	897
Accrued and other current liabilities	1,910	1,788
Deferred revenue	402	402
Total current liabilities	<u>3,231</u>	<u>3,097</u>
Long-term debt	1,443	1,481
Deferred revenue	400	424
Other liabilities	1,969	2,341
Total Liabilities	<u>7,043</u>	<u>7,343</u>
Redeemable noncontrolling interest	12	12
Total Tyco shareholders' equity	5,098	4,994
Nonredeemable noncontrolling interest	23	16
Total Equity	<u>5,121</u>	<u>5,010</u>
Total Liabilities, Redeemable Noncontrolling Interest and Equity	<u>\$ 12,176</u>	<u>\$ 12,365</u>

Note: These financial statements should be read in conjunction with the Consolidated Financial Statements and accompanying notes contained in the Company's Annual Report on Form 10-K for the fiscal year ended September 28, 2012 and Quarterly Report on Form 10-Q for the quarter ended June 28, 2013.

TYCO INTERNATIONAL LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(Unaudited)

	For the Quarters Ended		For the Twelve Months Ended	
	September 27, 2013	September 28, 2012	September 27, 2013	September 28, 2012
Cash Flows From Operating Activities:				
Net Income (loss) attributable to Tyco common shareholders	\$ 166	\$ (419)	\$ 536	\$ 472
Noncontrolling interest in subsidiaries net loss	(3)	-	(3)	(1)
Income from discontinued operations, net of income taxes	(4)	(210)	(9)	(804)
Income / (loss) from continuing operations	159	(629)	524	(333)
Adjustments to reconcile net cash provided by operating activities:				
Depreciation and amortization	109	105	427	418
Non-cash compensation expense	16	48	63	113
Deferred income taxes	60	433	8	373
Provision for losses on accounts receivable and inventory	19	17	73	55
Loss on the retirement of debt	-	453	-	453
Non-cash restructuring and asset impairment charges, net	-	1	1	25
Loss on divestitures	10	2	20	14
Loss on investments	28	5	42	11
Other non-cash items	9	6	98	61
Changes in assets and liabilities, net of the effects of acquisitions and divestitures:				
Accounts receivable, net	(43)	(62)	(87)	(128)
Contracts in progress	(10)	8	(23)	(46)
Inventories	40	2	(34)	(72)
Prepaid expenses and other current assets	(17)	51	52	(86)
Accounts payable	41	36	(15)	59
Accrued and other liabilities	7	(31)	(213)	(80)
Deferred revenue	(31)	(24)	(30)	(1)
Income taxes, net	(38)	(172)	(38)	(172)
Other	10	(24)	(27)	37
Net cash provided by operating activities	369	225	841	701
Net cash provided by discontinued operating activities	4	531	9	1,885
Cash Flows from Investing Activities:				
Capital expenditures	(93)	(110)	(377)	(406)
Proceeds from disposal of assets	1	4	5	8
Acquisition of businesses, net of cash acquired	(154)	-	(229)	(217)
Acquisition of dealer generated customer accounts and bulk account purchases	(5)	(10)	(22)	(28)
Divestiture of businesses, net of cash divested	-	-	17	(5)
Sales and maturities of investments	79	13	182	128
Purchases of investments	(45)	(17)	(227)	(87)
Decrease (increase) in restricted cash	1	(2)	(8)	(2)
Other	6	6	4	27
Net cash used in investing activities	(210)	(116)	(655)	(582)
Net cash used in discontinued investing activities	-	(311)	-	(1,204)
Cash Flows from Financing Activities:				
Proceeds from issuance of short-term debt	95	784	475	2,008
Repayment of short-term debt	(114)	(784)	(505)	(2,009)
Proceeds from issuance of long-term debt	-	19	-	19
Repayment of long-term debt	-	(3,040)	-	(3,040)
Proceeds from exercise of share options	28	86	153	226
Dividends paid	(74)	(115)	(288)	(461)
Repurchase of common shares by treasury	-	-	(300)	(500)
Transfer from discontinued operations	4	2,852	39	3,274
Other	5	(3)	(30)	(25)
Net cash used in financing activities	(56)	(201)	(456)	(508)
Net cash (used in) provided by discontinued financing activities	(4)	174	(39)	(251)
Effect of currency translation on cash	5	14	(11)	4
Effect of currency translation on cash related to discontinued operations	-	5	-	4
Net increase in cash and cash equivalents	108	321	(311)	49
Less: net increase (decrease) in cash and cash equivalents related to discontinued operations	-	399	(30)	434
Cash and cash equivalents at beginning of period	455	922	844	1,229
Cash and cash equivalents at end of period	563	844	563	844
Reconciliation to "Free Cash Flow":				
Net cash provided by operating activities	\$ 369	\$ 225	\$ 841	\$ 701
Capital expenditures, net	(92)	(106)	(372)	(398)
Acquisition of dealer generated customer accounts and bulk account purchases	(5)	(10)	(22)	(28)
Purchase accounting and holdback liabilities	5	-	(2)	(2)
Free Cash Flow	\$ 277	\$ 109	\$ 445	\$ 273
Reconciliation to "Adjusted Free Cash Flow":				
Free Cash Flow	277	109	445	273
Separation costs	20	25	188	30
Cash restructuring costs	22	24	83	89
Environmental remediation payments	27	7	51	10
Legal settlements	-	-	46	-
Repositioning costs	8	-	15	-
Net asbestos (recoveries) / payments	10	-	(14)	-
Cash (receipt) / payment from Covidien/TE Connectivity	-	6	11	19
Cash acquisition/integration costs	1	1	1	3
Special Items	\$ 88	\$ 63	\$ 381	\$ 151
Adjusted Free Cash Flow	\$ 365	\$ 172	\$ 826	\$ 424

NOTE: Free cash flow is a non-GAAP measure. See description of non-GAAP measures contained in this release.

Tyco International Ltd.
Organic Growth Reconciliation - Revenue
(in millions)

Quarter Ended September 27, 2013

**Base Year
Adjustments**

	Net Revenue for the Quarter Ended September 28, 2012		Base Year Adjustments		Adjusted 2012 Base Revenue		Foreign Currency		Acquisitions		Other ⁽²⁾		Organic Revenue ⁽¹⁾		Net Revenue for the Quarter Ended September 27, 2013	
NA Installation and Services	\$	1,042	\$ (19)	-1.8%	\$ 1,023	\$ (5)	-0.5%	\$ 2	0.2%	\$ -	0.0%	\$ (24)	-2.3%	\$ 996	-4.4%	
ROW Installation and Services		1,128	-	0.0%	1,128	(29)	-2.6%	27	2.4%	-	0.0%	12	1.1%	1,138	0.9%	
Global Products		558	1	0.2%	559	(4)	-0.7%	14	2.5%	11	2.0%	47	8.4%	627	12.4%	
Total Net Revenue	\$	2,728	\$ (18)	-0.7%	\$ 2,710	\$ (38)	-1.4%	\$ 43	1.6%	\$ 11	0.4%	\$ 35	1.3%	\$ 2,761	1.2%	

⁽¹⁾ Organic revenue growth percentage based on adjusted 2012 base revenue.

⁽²⁾ Amount represents contractual revenue from ADT under the 2012 Separation and Distribution Agreement which is excluded from the organic revenue calculation.

⁽³⁾ Amounts include the transfer of a business from NA Installation and Services to Global Products.

Year Ended September 27, 2013

**Base Year
Adjustments**

	Net Revenue for the Year Ended September 28, 2012		Base Year Adjustments		Adjusted 2012 Base Revenue		Foreign Currency		Acquisitions		Other ⁽²⁾		Organic Revenue ⁽¹⁾		Net Revenue for the Year Ended September 27, 2013	
NA Installation and Services	\$	3,962	\$ (30)	-0.8%	\$ 3,932	\$ (3)	-0.1%	\$ 7	0.2%	\$ -	0.0%	\$ (45)	-1.1%	\$ 3,891	-1.8%	
ROW Installation and Services		4,341	(10)	-0.2%	4,331	(49)	-1.1%	93	2.1%	-	0.0%	42	1.0%	4,417	1.8%	
Global Products		2,100	2	0.1%	2,102	(3)	-0.1%	68	3.2%	39	1.9%	133	6.3%	2,339	11.4%	
Total Net Revenue	\$	10,403	\$ (38)	-0.4%	\$ 10,365	\$ (55)	-0.5%	\$ 168	1.6%	\$ 39	0.4%	\$ 130	1.3%	\$ 10,647	2.3%	

⁽¹⁾ Organic revenue growth percentage based on adjusted 2012 base revenue.

⁽²⁾ Amount represents contractual revenue from ADT under the 2012 Separation and Distribution Agreement which is excluded from the organic revenue calculation.

⁽³⁾ Amounts include the transfer of a business from NA Installation and Services to Global Products.

**Earnings Per Share Summary
(Unaudited)**

	Quarter Ended	Year Ended	Quarter Ended	Year Ended
	Sept. 27, 2013	Sept. 27, 2013	Sept. 28, 2012	Sept. 28, 2012
Diluted EPS from Continuing Operations Attributable to Tyco Shareholders (GAAP)	\$0.34	\$1.12	(\$1.36)	(\$0.72)
<i>expense / (benefit)</i>				
Restructuring and repositioning activities	0.06	0.21	0.05	0.11
Separation costs included in SG&A	0.02	0.10	-	-
(Gains) / losses on divestitures, net	0.02	0.04	-	0.03
Acquisition / integration costs	-	0.01	-	0.01
Asset impairment charges	-	-	-	0.04
Change in valuation methodology for asbestos	-	0.03	-	0.15
Environmental remediation	-	0.13	0.01	0.03
Tyco share of Atkore impairment	0.04	0.03	-	-
Legacy legal items	-	0.04	-	0.07
Former management ERISA reversal	-	-	-	(0.07)
Separation costs	-	0.02	0.12	0.14
Tax items	0.04	0.04	0.54	0.61
2012 Tax Sharing Agreement	-	0.07	-	-
Loss on extinguishment of debt	-	-	0.98	0.98
Total Before Special Items	\$0.52	\$1.84	\$0.34	\$1.38

Note: Prior periods have been recast to present environmental remediation charges as a special item.

Anticipated dis-synergies in NA I&S segment
Corporate expense to expected \$56M for quarter and \$225M for year
Net interest expense to expected \$25M for quarter and \$100M for year
Effective tax rate to expected 19.5% for quarter and year
Q4 FY12 "Normalized" EPS

(0.01)	(0.06)
0.07	0.18
0.01	0.16
0.04	(0.03)
\$0.45	\$1.63

Represents forecast amounts for fiscal 2013

Tyco International Ltd.

For the Quarter Ended September 27, 2013

(in millions, except per share data)

(Unaudited)
expense / (benefit)

Segments	NA Installation & Service	ROW Installation & Service	Global Products	Segment Revenue	Corporate and Other	Total Revenue
Revenue (GAAP)	\$996	\$1,138	\$627	\$2,761		\$2,761

	Operating Income						Segment Operating Income	Corporate and Other			Total Operating Income	Interest (Expense), net	Other (Expense), net	Income Tax (Expense)	Equity in earnings of unconsolidated subsidiaries	Noncontrolling Interest	Income from Continuing Operations Attributable to Tyco Shareholders	Diluted EPS from Continuing Operations Attributable to Tyco Shareholders		
	NA Installation & Service	Margin	ROW Installation & Service	Margin	Global Products	Margin		Margin	and Other	Margin										
Operating Income (GAAP)	\$113	11.3%	\$110	9.7%	\$119	19.0%	\$342	12.4%	(\$80)	N/M	\$262	9.5%	(\$22)	\$1	12.4%	(\$52)	(\$30)	\$3	\$162	\$0.34
Restructuring and repositioning activities	14		12		2		28		11		39				(14)				25	0.06
Separation costs included in SG&A	9						9		5		14				(8)				6	0.02
(Gains) / losses on divestitures, net	(3)		13				10				10								10	0.02
Acquisition / integration costs			1		1		2				2								2	-
Asset impairment charges			1				1				1								1	-
Asbestos									2		2								2	-
Tyco share of Atkore impairment																	21		21	0.04
Separation costs									(1)		(1)								(1)	-
Tax items														16					16	0.04
2012 Tax Sharing Agreement													1						1	-
Total Before Special Items	\$133	13.4%	\$137	12.0%	\$122	19.5%	\$392	14.2%	(\$63)	N/M	\$329	11.9%	(\$22)	\$2	14.2%	(\$58)	(\$9)	\$3	\$245	\$0.52

Diluted Shares Outstanding	471
Diluted Shares Outstanding - Before Special Items	471

For the Year Ended September 27, 2013

(in millions, except per share data)
(Unaudited)
expense / (benefit)

Segments																			
	NA Installation & Service		ROW Installation & Service		Global Products		Segment Revenue	Corporate and Other			Total Revenue								
Revenue (GAAP)	\$3,891		\$4,417		\$2,339		\$10,647				\$10,647								
Operating Income																			
	NA Installation & Service		ROW Installation & Service		Global Products		Segment Operating Income	Corporate and Other			Total Operating Income	Interest (Expense), net	Other (Expense), net	Income Tax (Expense)	Equity in earnings of unconsolidated subsidiaries	Noncontrolling Interest (Expense)	Income from Continuing Operations Attributable to Tyco Shareholders	Diluted EPS from Continuing Operations Attributable to Tyco Shareholders	
Operating Income (GAAP)	\$388	10.0%	\$433	9.8%	\$307	13.1%	\$1,128	10.6%	(\$319)	N/M	\$809	7.6%	(\$83)	(\$29)	(\$125)	(\$48)	\$3	\$527	\$1.12
Restructuring and repositioning activities	36		66		12		114		19		133							99	0.21
Separation costs included in SG&A	49						49		12		61							48	0.10
(Gains) / losses on divestitures, net	1		14				15		5		20							18	0.04
Acquisition / integration costs			2		2		4				4							4	0.01
Asset impairment charges			1				1				1							1	-
Asbestos									12		12							12	0.03
Environmental remediation					100		100				100							61	0.13
Tyco share of Atkore impairment																21		21	0.03
Legacy legal items									27		27							18	0.04
Separation costs									8		8							8	0.02
Tax items														22				22	0.04
2012 Tax Sharing Agreement													32					32	0.07
Total Before Special Items	\$474	12.2%	\$516	11.7%	\$421	18.0%	\$1,411	13.3%	(\$236)	N/M	\$1,175	11.0%	(\$83)	\$3	(\$200)	(\$27)	\$3	\$871	\$1.84

Diluted Shares Outstanding	472
Diluted Shares Outstanding - Before Special Items	472

Tyco International Ltd.

For the Quarter Ended September 28, 2012

(in millions, except per share data)

(Unaudited)
expense / (benefit)

Segments																			
NA Installation & Service		ROW Installation & Service		Global Products		Segment Revenue	Corporate and Other			Total Revenue									
Revenue (GAAP)		\$1,042	\$1,128	\$558		\$2,728				\$2,728									
Operating Income													(Loss) Income from Continuing Operations Attributable to Tyco Shareholders	Diluted EPS from Continuing Operations Attributable to Tyco Shareholders					
NA Installation & Service		Margin	ROW Installation & Service		Margin	Global Products	Margin	Segment Operating Income	Margin	Corporate and Other	Margin	Total Operating Income	Margin	Interest (Expense), net	Other (Expense), net	Income Tax (Expense)	Equity loss in earnings of unconsolidated subsidiary		
	\$109	10.5%	\$123	10.9%	\$88	15.8%	\$320	11.7%	(\$167)	N/M	\$153	5.6%	(\$28)	(\$453)	(\$294)	(\$7)	(\$629)	(\$1.36)	
Restructuring, net	17		8		4		29		6		35					(13)		22	0.05
Separation costs included in SG&A	2						2				2							2	-
(Gains) / losses on divestitures, net			3				3		(1)		2							2	-
Acquisition / integration costs					2		2				2				(1)			1	-
Change in valuation methodology for asbestos									3		3				(2)			1	-
Environmental remediation					4		4				4				(1)			3	0.01
Legacy legal items									(3)		(3)				1			(2)	-
Former management ERISA reversal															1			1	-
Separation costs			1		1		2		59		61				(5)			56	0.12
Tax items															249			249	0.54
Loss on extinguishment of debt														453				453	0.98
Total Before Special Items	\$128	12.3%	\$135	12.0%	\$99	17.7%	\$362	13.3%	(\$103)	N/M	\$259	9.5%	(\$28)	-	(\$65)	(\$7)	(\$159)	\$0.34	
Anticipated dis-synergies in NA I&S segment	(9)						(9)												
Q4 FY 12 Normalized	\$119	11.4%					\$353	12.9%											

Note: This period has been recast to present environmental remediation charges as a special item.

Diluted Shares Outstanding	462
Diluted Shares Outstanding - Before Special Items	470

Tyco International Ltd.

For the Year Ended September 28, 2012

(in millions, except per share data)

(Unaudited)

expense / (benefit)

Segments																			
NA Installation & Service		ROW Installation & Service		Global Products		Segment Revenue	Corporate and Other			Total Revenue									
Revenue (GAAP)		\$3,962		\$4,341		\$2,100		\$10,403											
Operating Income																			
NA Installation & Service		ROW Installation & Service		Global Products		Segment Operating Income	Corporate and Other			Total Operating Income									
Margin	Margin	Margin	Margin	Margin	Margin	Margin	Margin	Margin	Margin	Margin	Interest (Expense), net	Other (Expense), net	Income Tax (Expense)	Equity loss in earnings of unconsolidated subsidiary	Noncontrolling Interest (Expense)	(Loss) income from Continuing Operations Attributable to Tyco Shareholders	Diluted EPS from Continuing Operations Attributable to Tyco Shareholders		
Operating Income (GAAP)	5374	9.4%	5456	10.5%	5353	16.8%	\$1,183	11.4%	(\$498)	N/M	\$685	6.6%	(\$190)	(\$454)	(\$348)	(\$26)	\$1	(\$332)	(\$0.72)
Restructuring, net	25		34		7		66		13									53	0.11
Separation costs included in SG&A	2						2		1									2	-
(Gains) // losses on divestitures, net			7				7		7									13	0.03
Acquisition / integration costs	1		4		4		9											6	0.01
Asset impairment charges	20		2		3		25											17	0.04
Change in valuation methodology for asbestos									111									68	0.15
Environmental remediation					17		17											11	0.03
Legacy legal items	29						29		17									35	0.07
Former management ERISA reversal									(50)									(31)	(0.07)
Separation costs			2		1		3		68									66	0.14
Tax items													285					285	0.61
Loss on extinguishment of debt												453						453	0.98
Total Before Special Items	\$451	11.4%	\$505	11.6%	\$385	18.3%	\$1,341	12.9%	(\$331)	N/M	\$1,010	9.7%	(\$190)	(\$1)	(\$148)	(\$26)	\$1	\$646	\$1.38
Anticipated dis-synergies in NA I&S segment	(36)						(36)												
Q4 FY 12 Normalized	\$415	10.5%					\$1,305	12.5%											

Note: This period has been recast to present environmental remediation charges as a special item.

Diluted Shares Outstanding	463
Diluted Shares Outstanding - Before Special Items	469

// Non-GAAP Measures

Organic revenue, free cash flow (outflow) (FCF), and income from continuing operations, earnings per share (EPS) from continuing operations, operating income and segment operating income, and normalized EPS, in each case “before special items,” are non-GAAP measures and should not be considered replacements for GAAP results.

Organic revenue is a useful measure used by the company to measure the underlying results and trends in the business. The difference between reported net revenue (the most comparable GAAP measure) and organic revenue (the non-GAAP measure) consists of the impact from foreign currency, acquisitions and divestitures, and other changes that either do not reflect the underlying results and trends of the Company’s businesses or are not completely under management’s control. There are limitations associated with organic revenue, such as the fact that, as presented herein, the metric may not be comparable to similarly titled measures reported by other companies. These limitations are best addressed by using organic revenue in combination with the GAAP numbers. Organic revenue may be used as a component in the company’s incentive compensation plans.

FCF is a useful measure of the company’s cash that permits management and investors to gain insight into the number that management employs to measure cash that is free from any significant existing obligation and is available to service debt and make investments. The difference between Cash Flows from Operating Activities (the most comparable GAAP measure) and FCF (the non-GAAP measure) consists mainly of significant cash flows that the company believes are useful to identify. It, or a measure that is based on it, may be used as a component in the company’s incentive compensation plans. The difference reflects the impact from:

- net capital expenditures,*
- dealer generated accounts and bulk accounts purchased,*
- cash paid for purchase accounting and holdback liabilities, and*
- voluntary pension contributions.*

Capital expenditures and dealer generated and bulk accounts purchased are subtracted because they represent long-term investments that are required for normal business activities. Cash paid for purchase accounting and holdback liabilities is subtracted because these cash outflows are not available for general corporate uses. Voluntary pension contributions are added because this activity is driven by economic financing decisions rather than operating activity. In addition, from time to time the company may present adjusted free cash flow, which is free cash flow, adjusted to exclude the cash impact of the special items highlighted below. This number provides information to investors regarding the cash impact of certain items management believes are useful to identify, as described below.

// Non-GAAP Measures Continued

The limitation associated with using these cash flow metrics is that they adjust for cash items that are ultimately within management's and the Board of Directors' discretion to direct and therefore may imply that there is less or more cash that is available for the company's programs than the most comparable GAAP measure. Furthermore, these non-GAAP metrics may not be comparable to similarly titled measures reported by other companies. These limitations are best addressed by using FCF in combination with the GAAP cash flow numbers.

The company has presented its income and EPS from continuing operations, operating income and segment operating income before special items. Special items include charges and gains related to divestitures, acquisitions, restructurings, impairments, certain changes to accounting methodologies, legacy legal and tax charges and other income or charges that may mask the underlying operating results and/or business trends of the company or business segment, as applicable. The company utilizes these measures to assess overall operating performance and segment level core operating performance, as well as to provide insight to management in evaluating overall and segment operating plan execution and underlying market conditions. The Company also presents its effective tax rate as adjusted for special items for consistency, and presents corporate expense excluding special items. One or more of these measures may be used as components in the company's incentive compensation plans. These measures are useful for investors because they may permit more meaningful comparisons of the company's underlying operating results and business trends between periods. The difference between income and EPS from continuing operations before special items and income and EPS from continuing operations (the most comparable GAAP measures) consists of the impact of the special items noted above on the applicable GAAP measure. The limitation of these measures is that they exclude the impact (which may be material) of items that increase or decrease the company's reported GAAP metrics, and these non-GAAP metrics may not be comparable to similarly titled measures reported by other companies. These limitations are best addressed by using the non-GAAP measures in combination with the most comparable GAAP measures in order to better understand the amounts, character and impact of any increase or decrease on reported results.

The company provides general corporate services to its segments and those costs are reported in the "Corporate and Other" segment. This segment's operating income (loss) is presented as "Corporate Expense." Segment Operating Income represents Tyco's operating income excluding the Corporate and Other segment, and reflects the results of Tyco's three operating segments. Segment Operating Income before special items reflects GAAP operating income adjusted for the special items noted in the paragraph above.

In order to provide a more meaningful comparison of fiscal 2013 results to fiscal 2012 results, normalized EPS before special items is presented. Normalized EPS adjusts fiscal 2012 GAAP results by replacing the GAAP interest and corporate expenses reported for fiscal 2012 (on a pre-separation basis) with the interest and corporate expenses expected to be incurred in fiscal 2013 (on a post-separation basis). Normalized EPS before special items further adjusts normalized EPS for the special items described above.

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