



Bank of America Merrill Lynch 2011 Industrials Conference

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Forward-Looking Statements / Safe Harbor

This presentation contains a number of forward-looking statements. Words and variations of words such as “outlook”, “expect”, “intend”, “will”, “anticipate”, “believe”, “propose”, “potential”, “continue”, “opportunity”, “estimate”, “project” and similar expressions are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements addressing Tyco’s future financial condition and operating results, the health and growth prospects of the industries and end-markets in which Tyco operates, Tyco’s intent to create three independent companies as a result of its previously announced spin-off of its flow control and North American residential security businesses, the expectation that the spin-offs will be tax-free, statements regarding the leadership, resources, potential, priorities, and opportunities for the independent companies following the spin-offs, the intent for the three independent companies to remain investment grade following the spin-offs and the timing of the proposed spin-off transactions. 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);
- The outcome of litigation, arbitrations and governmental proceedings, including the effect of income tax audit settlements and appeals;
- Economic, legal and political conditions in international markets, including governmental changes and restrictions on the ability to transfer capital across borders;
- Failure to obtain necessary regulatory approvals or to satisfy any of the other conditions to the proposed spin-offs;
- Adverse effects on the market price of Tyco’s common stock or operating results because of a failure to complete the proposed spin-offs;
- 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;
- Failure to complete the proposed spin-offs, realize the expected benefits of the proposed spin-offs, and significant transaction costs and/or unknown liabilities resulting from the proposed spin-offs;
- Unanticipated expenses related to the proposed spin-offs, such as litigation or legal settlement expenses;
- Failure to obtain tax rulings or tax law changes in connection with the proposed spin-offs;
- Our ability to complete proposed debt refinancings related to the proposed spin-offs;
- The impact of the proposed spin-offs on Tyco’s employees, customers and suppliers;
- Future opportunities that Tyco’s board may determine present greater potential to increase shareholder value; and
- The ability of the companies to operate independently following the proposed spin-offs.

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 30, 2011 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.

Tyco - A Portfolio Of Businesses Centered Around Three Core Platforms

Security Solutions

FY11 Revenue \$8.6B



- ADT Security
- Security Products
- Retail Solutions

Fire Protection

FY11 Revenue \$4.7B



- Fire Protection Services
- Fire Protection Products
- Life Safety

Flow Control

FY11 Revenue \$3.6B



- Valves & Controls
- Thermal Controls
- Water & Environmental Systems

2011 Revenue Of \$17.4B*

Flow Control – At A Glance

A global leader in industrial valves & controls solutions

KEYSTONE

A global leader in industrial heat management solutions

ANDERSON
GREENWOOD

Raychem

Strong regional leader in water & environmental solutions

tyco
Water

Broad product portfolio / Recognized global brands

vanessa

TRACER
~~~~~

Balanced across key verticals and well positioned in large, fragmented industries

Sempell

**BIFFI**

Hefty scale with established capabilities in emerging markets

**CROSBY**

tyco

# Flow Control – Three Business Platforms

## Flow Control

2011 Revenue \$3.6B

### Valves & Controls

~60% of 2011 revenue



- A global leader in providing flow control products and services
- Products include valves, actuators and controls
- Products focus on extreme pressure and temperature and severe service needs

### Thermal Controls

~20% of 2011 revenue



- A leading global provider in heat-tracing solutions
- Turn-key heat management systems for industrial applications
- Commercial and residential products for floor warming, snow melting and de-icing

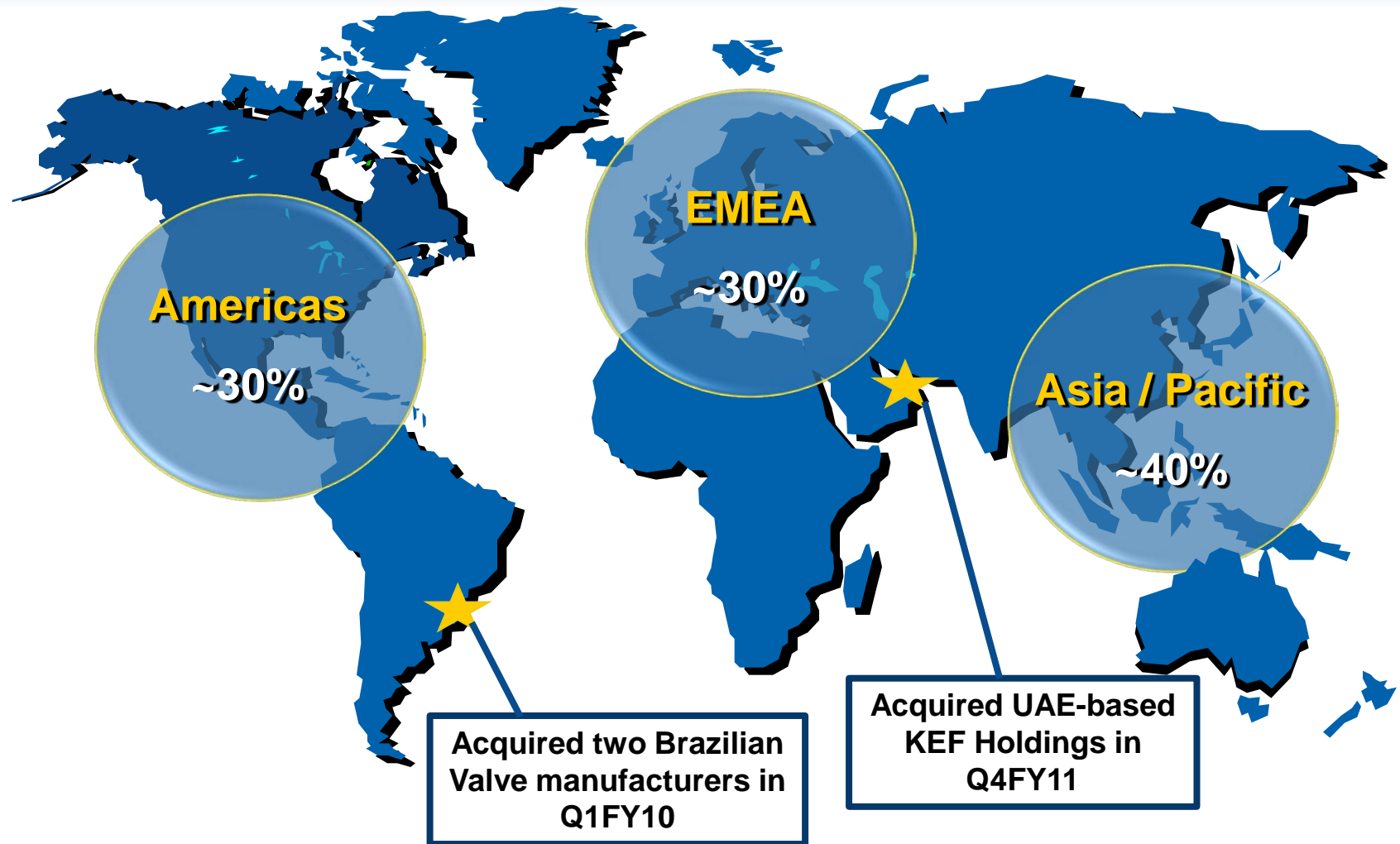
### Water & Environmental

~20% of 2011 revenue



- Strong region presence with products and services for water systems
- Delivery, transport, storage and treatment of water
- Primary focus on large scale water transmission pipelines

# Flow Control – Highly Diversified Global Mix Of Revenue

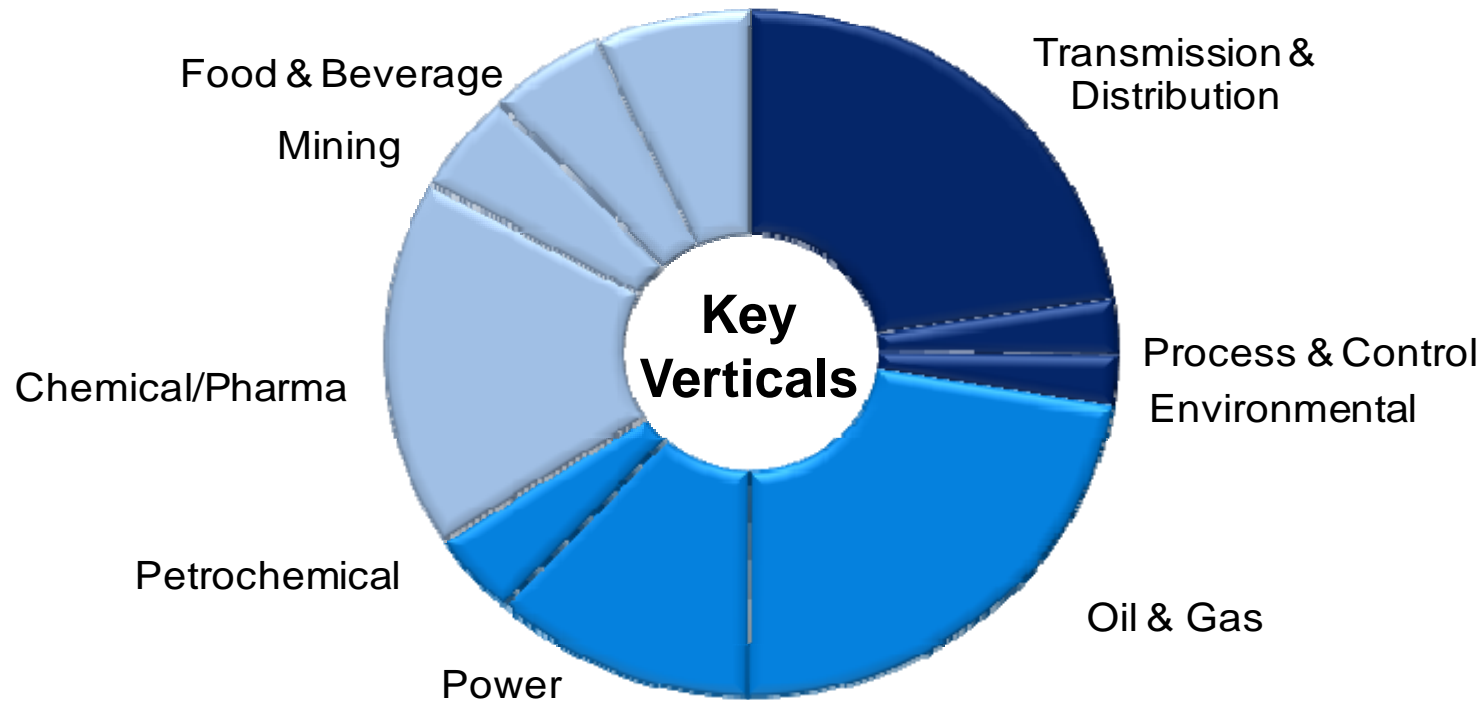


# Flow Control – Balanced Across Key Verticals

Process ~35%

Other/ Industrial

Water ~ 25%



Energy ~40%

Revenue & Earnings Diversification



# Flow Control – Demand Drivers Across Key Verticals



## Process

Companies developing new technologies, adding infrastructure in emerging markets, refurbishing/servicing installed base



## O&G

Increased consumption and demand for oil and gas still driven by emerging markets



## Power

Emerging economies will account for the majority of new build but developed economies will also need significant new build/refurbishment



## Mining

Demand driven by emerging economies with biggest extraction led by large mining companies



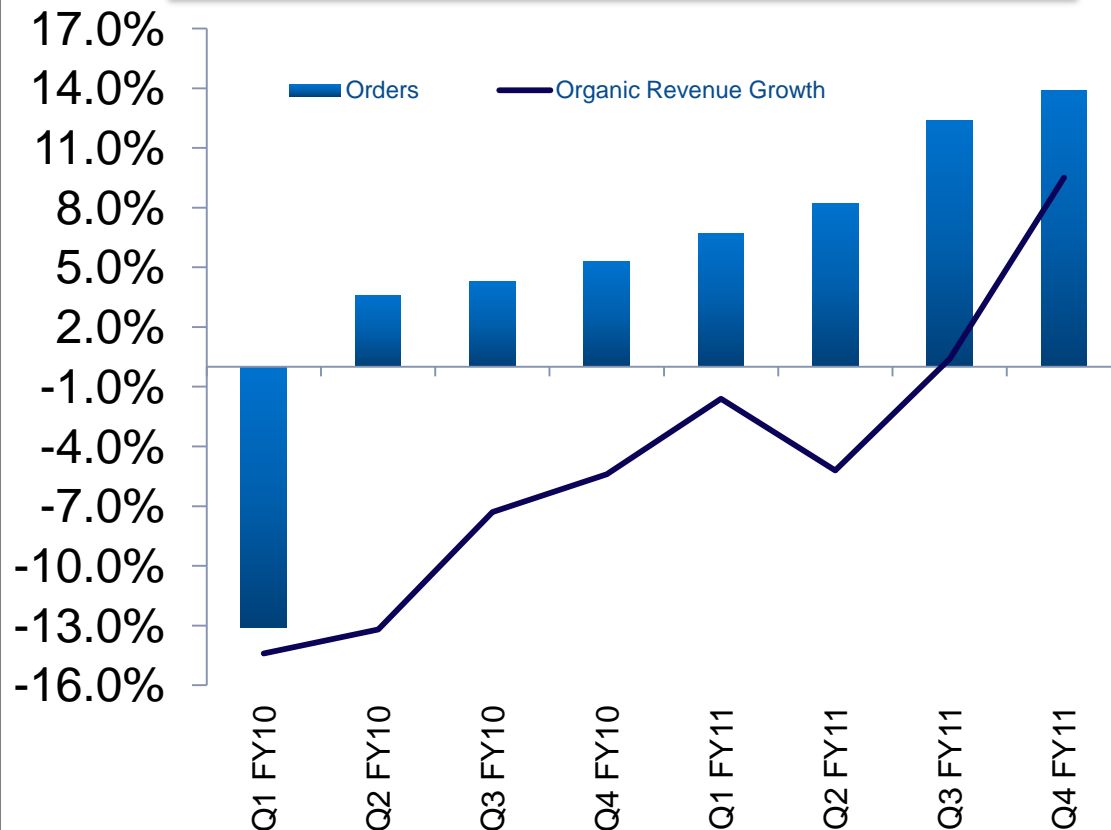
## Water

Increasing demands of water resources driven by urbanization, scarcity, and environmental protection



# Flow Control – Seeing Solid Growth Momentum

## YoY Order and Organic Growth\*



- Order activity over the last few quarters is now driving positive organic growth
- Valves and Thermal growth primarily being driven by O&G end market
  - Leveraging recent acquisitions
  - Order to revenue conversion is about 9 months in Valves & 1-3 months in Thermal
- Recent mid-sized water project wins with more opportunities on the horizon

## Orders Momentum Fueling Top Line Growth

\* Orders growth excludes the impact of foreign currency and the extra week of order activity in the fourth quarter of FY11. Organic Growth excludes the impact of foreign currency, acquisitions/divestitures, and the extra week of revenue in the fourth quarter of FY11.

# Flow Control - Key Focus Areas

- Accelerate growth & extend industry leadership
  - Expand emerging and high growth market capabilities
  - Accelerate services and invest in R&D/new product development
  - Leverage strategic acquisitions and partnerships
- Expand margins & improve return on invested capital
  - Focus on achieving 'best in class' supply chain
  - Maintain pricing discipline
- Organizational excellence
  - Leverage the global depth and breadth of our product and services portfolio
  - Sustain technical and leadership depth at all levels
  - Continue to pursue world class EH&S and philanthropy programs

**Be The Clear Market Leader**

# Flow Control - Closing Thoughts

- A global leader in the markets we serve
- Well positioned in large fragmented industries
- Balanced portfolio serving diverse end markets that have attractive long-term momentum
- Building greater critical mass in emerging markets for long-term success
- Significant operational improvement has been achieved with more opportunities on the horizon

# APPENDIX

# 2011 Flow Control Organic Growth Reconciliation

(\$ in millions)  
(Unaudited)

| Net Revenue for<br>the Prior Year<br>Quarter Ended | Base Year Adjustments |                |           | Adjusted<br>Base<br>Revenue | Foreign<br>Currency | Acquisitions | Other (2) | Organic Revenue (1) | Net Revenue for the<br>Current Year Quarter<br>Ended |
|----------------------------------------------------|-----------------------|----------------|-----------|-----------------------------|---------------------|--------------|-----------|---------------------|------------------------------------------------------|
|                                                    | Acquisitions          | (Divestitures) |           |                             |                     |              |           |                     |                                                      |
| For the quarter ended December 24, 2010            | 832                   | - 0.0%         | (3) -0.4% | 829                         | 7 0.8%              | 4 0.5%       | - 0.0%    | (14) -1.7%          | 826 -0.7%                                            |
| For the quarter ended March 25, 2011               | 824                   | - 0.0%         | (2) -0.2% | 822                         | 24 2.9%             | 1 0.1%       | - 0.0%    | (43) -5.2%          | 804 -2.4%                                            |
| For the quarter ended June 24, 2011                | 849                   | - 0.0%         | (2) -0.2% | 847                         | 77 9.1%             | 1 0.1%       | - 0.0%    | 3 0.4%              | 928 9.3%                                             |
| For the quarter ended September 30, 2011           | 868                   | - 0.0%         | (5) -0.6% | 863                         | 75 8.6%             | 16 1.8%      | 45 5.2%   | 82 9.5%             | 1,081 24.5%                                          |

(1) Organic revenue growth percentage based on adjusted 2010 base revenue.

(2) Amount represents the impact of the 53rd week of revenue in the quarter ended September 30, 2011.

# 2010 Flow Control Organic Growth Reconciliation

(\$ in millions)  
(Unaudited)

|                                          | Net Revenue for the<br>Prior Year Quarter<br>Ended | Foreign<br>Currency | Acquisitions/<br>(Divestitures) | Organic Revenue | Net Revenue for the<br>Current Year Quarter<br>Ended |
|------------------------------------------|----------------------------------------------------|---------------------|---------------------------------|-----------------|------------------------------------------------------|
| For the quarter ended December 25, 2009  | 873                                                | 87 10.0%            | (2) -0.2%                       | (126) -14.4%    | 832 -4.7%                                            |
| For the quarter ended March 26, 2010     | 845                                                | 90 10.7%            | 1 0.1%                          | (112) -13.3%    | 824 -2.5%                                            |
| For the quarter ended June 25, 2010      | 866                                                | 40 4.6%             | 6 0.7%                          | (63) -7.3%      | 849 -2.0%                                            |
| For the quarter ended September 24, 2010 | 911                                                | 3 0.3%              | 3 0.3%                          | (49) -5.4%      | 868 -4.7%                                            |



# Non-GAAP Measures – Organic Growth

*Organic revenue is a non-GAAP measure and should not be considered a replacement 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 do not reflect the underlying results and trends (for example, revenue reclassifications). Effective the first quarter of fiscal 2011, the Company's organic growth / decline calculations incorporate an estimate of prior year reported revenue associated with acquired entities that have been fully integrated within the first year, and exclude prior year revenues associated with entities that do not meet the criteria for discontinued operations which have been divested within the past year. The rate of organic growth or decline is calculated based on the adjusted number to better reflect the rate of growth or decline of the combined business, in the case of acquisitions, or the remaining business, in the case of dispositions. The rate of organic growth or decline for acquired businesses that are not fully integrated within the first year will continue to be based on unadjusted historical revenue. Organic revenue and the rate of organic growth or decline as presented herein may not be comparable to similarly titled measures reported by other companies.*

*Organic revenue is a useful measure of the company's performance because it excludes items that: i) are not completely under management's control, such as the impact of foreign currency exchange; or ii) do not reflect the underlying results of the company's businesses, such as acquisitions and divestitures. It may be used as a component of the company's compensation programs. The limitation of this measure is that it excludes items that have an impact on the company's revenue. This limitation is best addressed by using organic revenue in combination with the GAAP numbers. See the accompanying tables to this presentation for the reconciliation presenting the components of organic revenue.*

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