



Barclays Capital Industrial Select Conference

Chris Coughlin

Executive Vice President & CFO

February 11, 2009

Forward-Looking Statement/ Non-GAAP Measures

This presentation contains certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to risks, uncertainty and changes in circumstances, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. All statements contained herein that are not clearly historical in nature are forward-looking and the words "opportunities," "anticipate," "believe," "expect," "estimate," "plan" and similar expressions are generally intended to identify forward-looking statements.

The forward-looking statements in this presentation may include statements addressing the following subjects: future financial condition and operating results, cash flows, operating and tax efficiencies, product expansion, backlog, the consummation and benefits of acquisitions and divestitures, as well as financings and repurchases of debt or equity securities and/or regulatory factors affecting Tyco's business, economic, business, competitive and/or regulatory factors affecting Tyco's business.

Any of the following factors may affect Tyco's future results:

- overall economic and business conditions;
- the demand for Tyco's goods and services;
- competitive factors in the industries in which Tyco competes;
- changes in tax requirements (including tax rate changes, new tax laws and revised tax law interpretations);
- results and consequences of Tyco's internal investigation and governmental investigations concerning the Company's governance, management, internal controls and operations including its business operations outside the United States;
- the outcome of litigation and governmental proceedings;
- effect of income tax audit settlements;
- the ratings on our debt and our ability to repay or refinance our outstanding indebtedness as it matures;
- our ability to operate within the limitations imposed by financing arrangements;
- interest rate fluctuations and other changes in borrowing costs;
- other capital market conditions, including currency exchange rate fluctuations;
- availability of and fluctuations in the prices of key raw materials, including steel and copper;
- economic and political conditions in international markets, including governmental changes and restrictions on the ability to transfer capital across borders;
- the ability to achieve cost savings in connection with the Company's strategic restructuring and Six Sigma initiatives;
- potential further impairment of our goodwill and/or our long-lived assets;
- the impact of fluctuations in the price of Tyco common shares;
- risks associated with our proposed Change of Domicile to Switzerland, including the possibility of reduced flexibility with respect to certain aspects of capital management, the potential for additional regulatory burdens, and likely removal from stock indices of which we are currently a part;
- changes in U.S. and non-U.S. governmental laws and regulations;
- the possible effects on Tyco 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 Tyco based upon its jurisdiction of incorporation;
- the possibility that Tyco's Change of Domicile may not be completed or that if it is completed, tax and financial expectations may not materialize or might change; and
- Swiss corporate governance and regulatory schemes could prove different or more challenging than currently expected.

These are examples of factors, among others, that could cause actual results to differ materially from those described in the forward-looking statements. In addition, Tyco's pre-separation financial information is not necessarily representative of the results it would have achieved absent its healthcare and electronics businesses and may not be a reliable indicator of its future results. Tyco is under no obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise. More detailed information about these and other factors is set forth in Tyco's Annual Report on Form 10-K for the fiscal year ended September 26, 2008 and Quarterly Report on Form 10-Q for the quarter ended December 26, 2008.

Organic revenue growth, operating income before special items, Adjusted EBITDA, Free Cash Flow, Return On Invested Capital, and Earnings Per Share from Continuing Operations Before Special Items are non-GAAP financial measures and are described in the Appendix.

1



Tyco International Highlights

- A diverse portfolio of market-leading businesses in electronic security, fire, safety services and products, valves and controls, and other industrial products
- Strong global businesses in attractive markets
- Broad service activities generate over \$7B of service revenue
- Investing to grow our businesses
 - emerging markets
 - technology and innovation
- Strong balance sheet, cash flow generation and financial flexibility

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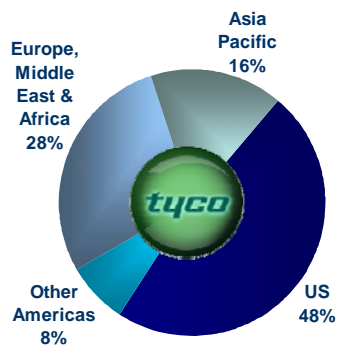


We Have a Diverse Portfolio of Businesses



A Strong Position in Developed Markets with An Expanding Emerging Markets Presence

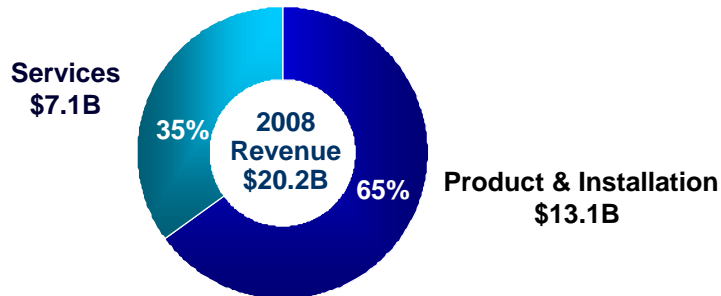
2008 Revenue = \$20.2B



- >50% of our revenue is generated outside of the United States
- We operate in more than 60 countries
- More than 110,000 employees
- Emerging markets represent ~15% of revenue and grew 20% organically in 2008 and Q109

Strong Emerging Market Focus

More than One-Third of Total Revenue Is Comprised of Monitoring and Service Revenue



- ADT generated \$5.1B of revenue from monitoring and service activities (66% of total revenue)
- Fire generated \$1.8B of service and maintenance revenue (45% of total revenue)

A Large, Stable Base of Recurring Revenue

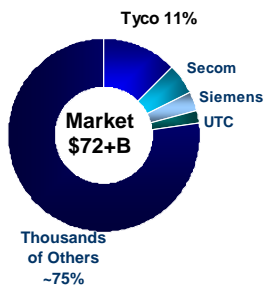
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We Are Well-Positioned in Attractive Markets

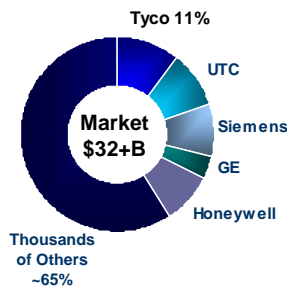
Global Electronic Security Industry

Expected Long-Term Market Growth = 5-6%



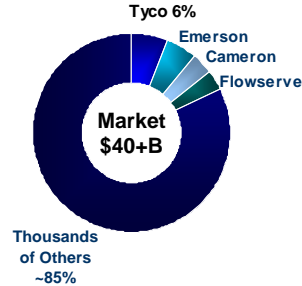
Global Fire Industry

Expected Long-Term Market Growth = 3- 4%



Global Industrial Valves & Controls Industry

Expected Long-Term Market Growth = 4-5%



Fragmented Industries Provide Market Share Growth Opportunities

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Source: Freedonia, McIlrain, Industry and Management Estimates



Investing to Grow our Businesses

Emerging Markets

- Represent ~15% of total revenue
- Provide revenue and earnings diversification
- Adapting products to local markets
- Long-term infrastructure development opportunities

Technology & Innovation

- Growth-oriented capital spending represents ~70% of capital expenditures
- Increased investment in R&D
- 16 R&D Centers in North America, Europe and Asia
- Bolt-on acquisitions to expand product and service offerings

...and Gain Market Share

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How Are We Managing in this Environment?

- Continuing to invest in our businesses for long-term competitive advantage
- Strong focus on growing service revenue and recurring revenue base
- Managing our cost structure and implementing restructuring and cost contingency plans, where appropriate
- Maintain a strong balance sheet – recently increased credit ratings, strong cash flow generation and financial flexibility

Investing For Long-Term, While Carefully Managing Cost Structure

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Solid Results In A Tough Environment

(\$ in millions, except EPS)

| | Q109 | Q108 | % Change |
|---|---------|---------|----------|
| Revenue | \$4,426 | \$4,837 | (8)% |
| Organic Revenue Growth* | (0.8)% | 6.1% | |
| Operating Income before special items* | 429 | 517 | (17)% |
| Operating Margin before special items* | 9.7% | 10.7% | |
| EPS from Cont. Ops. before special items* | \$0.61 | \$0.71 | (14)% |

- Revenue performance was good considering the challenging economic environment
- Operating margin performance in our businesses met or exceeded expectations due to cost reduction activities
- Full-year tax rate guidance to 22%
- The year-over-year decline in EPS resulted from
 - Foreign exchange rates \$(0.07) per share
 - Electrical and Metal Products \$(0.02) per share

* Organic revenue is a non-GAAP measure. Operating income, operating margin and EPS from continuing operations before special items are non-GAAP measures. For a reconciliation to the most comparable GAAP measures, please see appendix.



First Quarter Business Unit Summary

(\$ in millions)

| | ADT Worldwide | Flow Control | Fire Protections Services | Electrical & Metal Products | Safety Products |
|--|---------------|--------------|---------------------------|-----------------------------|-----------------|
| Revenue | \$ 1,792 | \$ 959 | \$ 851 | \$ 416 | \$ 408 |
| Organic Revenue Growth* | (1.1)% | 0.7% | 3.7% | (11.3)% | (0.7)% |
| Operating income before special items* | 232 | 139 | 58 | 29 | 75 |
| Operating Margin before special items* | 12.9% | 14.5% | 6.8% | 7.0% | 18.4% |

- ADT - recurring revenue growth of 3% offset by 6% organic revenue decline in systems installation and service revenue
- Flow Control – strong organic revenue growth in Valves of 8% and Thermal Controls of 13% offset by 17% organic revenue decline in water
- Fire – organic revenue growth in all regions of the world
- Electrical & Metal – impacted by historically low volume
- Safety Products – benefited from pricing actions and savings from cost containment initiatives

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



ADT Worldwide at a Glance



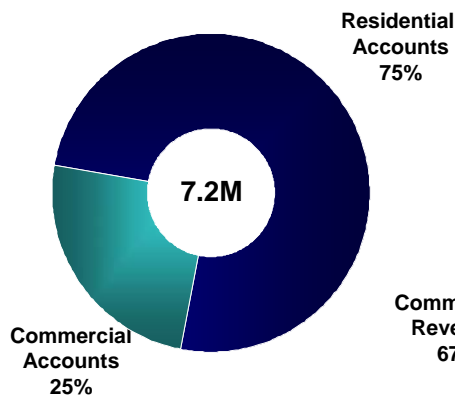
- 2008 Revenue of \$7.7B
 - 67% Commercial, 33% Residential
 - 52% Recurring Revenue
- 7.2M recurring revenue customers
- Global provider of residential and commercial security systems
- Market leadership position
- Broad geographic reach
 - 55% North America, 30% EMEA, 15% ROW
 - Over 1,200 locations in 49 countries
- 61,000 employees

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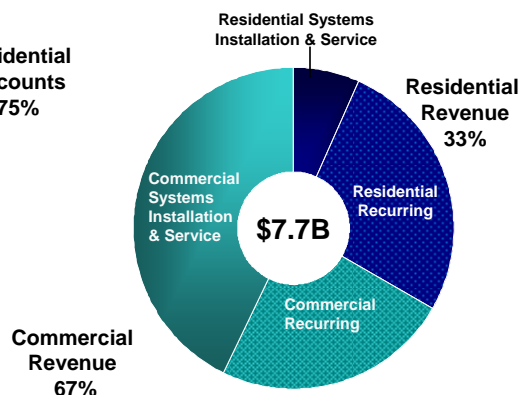


ADT Worldwide - Good Mix of Commercial and Residential Business

2008 Recurring Revenue Accounts



2008 Revenue Composition



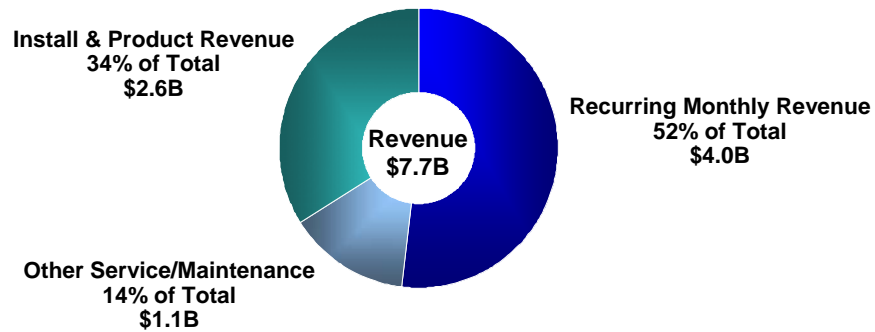
Two Different Business Models...Both Provide Attractive ROIC

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ADT Worldwide – More Than 50% of Revenue is Contractual and Recurring

2008 ADT Worldwide



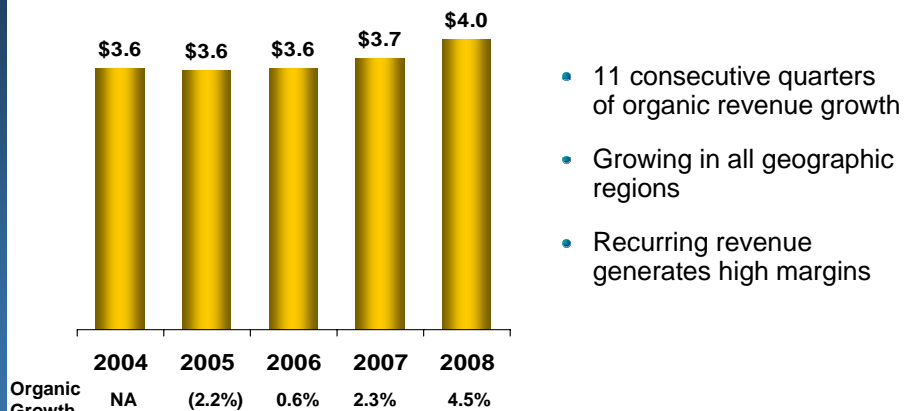
Large Base of Stable Recurring Revenue

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Recurring Revenue is Predictable and Has Been Growing

Recurring Revenue (\$B)



Solid Progress Globally

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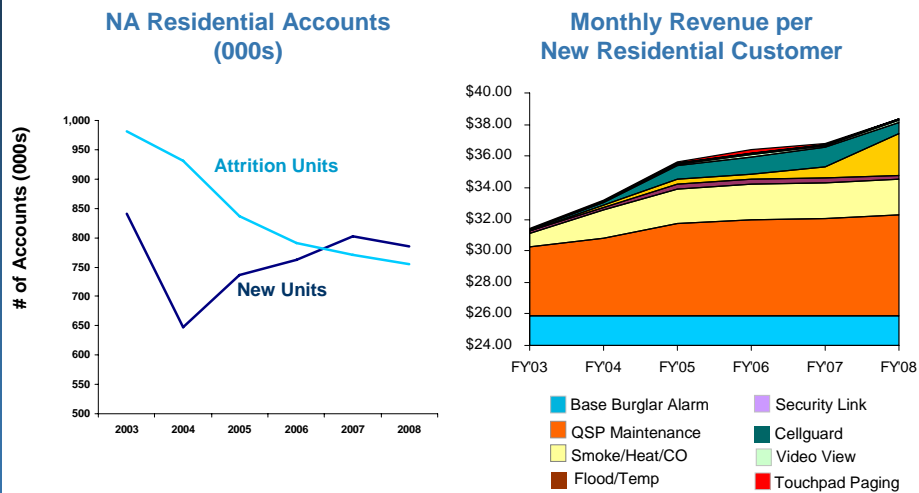
ADT North America - Residential

- Our largest and most profitable market with good growth and earnings upside
- Recurring revenue represents more than 85% of \$1.9B revenue base
- Steady and consistent performance with operating margins above 20%
- Residential performance in the current environment...
 - Recurring revenue grew 4% in Q1FY09
 - Continued growth in account base and average revenue per user
 - Attrition rate at Q109 was 13.7%

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ADT North America – Drive Disciplined Growth in Residential

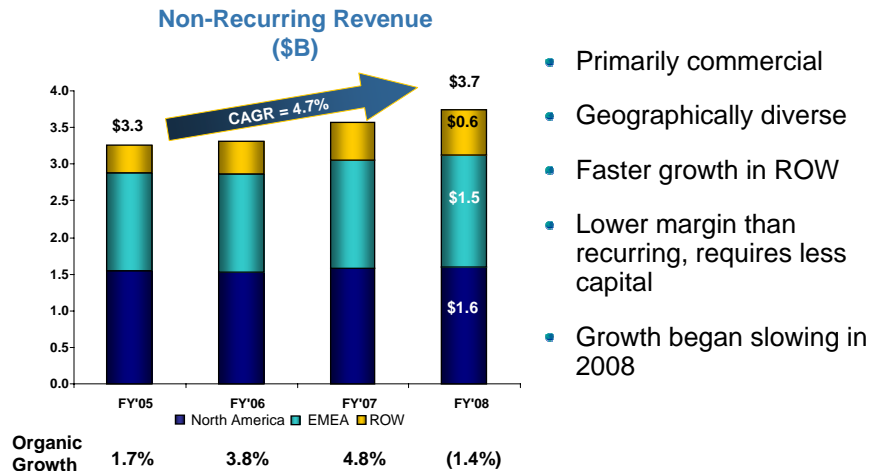


Net Account Growth + ARPU Growth => Recurring Revenue Growth

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ADT Worldwide – Approximately 50% of Revenue is Systems Installation & Service



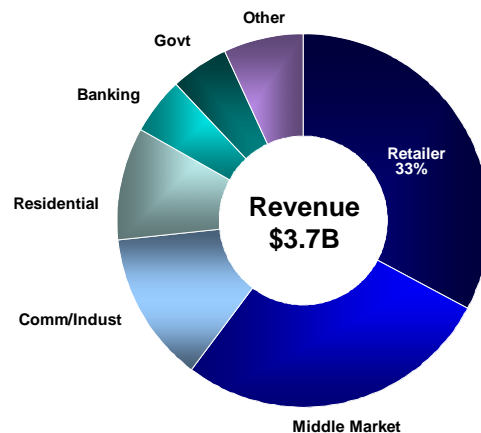
Provides Solid Returns on Invested Capital

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Systems Installation and Service Revenue is Diversified Across End Markets

2008 System Installation & Service



Diversified Revenue With Strong Retailer Presence

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Flow Control At A Glance



- 2008 Revenue of \$4.4B
- 3 consecutive years of solid operating margin improvement
- Well positioned in large, fragmented markets
- Global leader in valves, controls and related products
- Well known market-leading brands
- Geographic diversity – 80% of revenue generated outside the U.S.
- End market diversity – serves a broad range of industries and customers
- Strong backlog

KEYSTONE

ANDERSON
GREENWOOD

Raychem

ERHARD
ARMATUREN

vanessa

TRACER
-SERVICE-

BAYARD

BIFFI

Flattenax

CROSBY

tyco

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Flow Control—Three Business Platforms

Valves & Controls

2008 Revenue: ~\$2.4B
Organic Growth* 13%

- World's largest provider of flow control products and services
- Products include valves, actuators and controls
- Delivery and control of liquids, powders and gases for energy and processing industries



Water & Environmental Systems

2008 Revenue: ~\$1.3B
Organic Growth* 1%

- Strong regional presence with products and services for water systems
- Delivery, transport, storage and treatment of water
- Government, residential, agriculture and industrial use—from dam to the household



Thermal Controls

2008 Revenue: ~\$650M
Organic Growth* 12%

- Global leader in heat-tracing solutions
- Industrial, global project services
- Commercial and residential products for floor warming, snow melting and de-icing



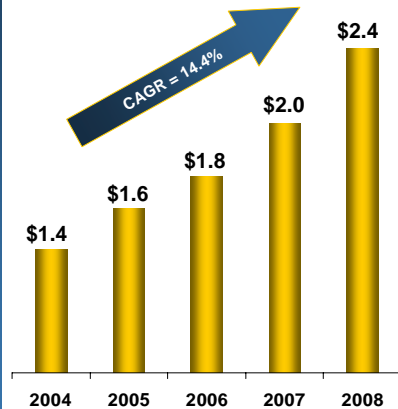
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* Organic Revenue is Non-GAAP measures. For a reconciliation to the most comparable GAAP measure, please see Appendix.

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Valves & Controls - Strong Historical Growth and Positioned Well for the Future

Total Sales (\$B)



Focus Areas

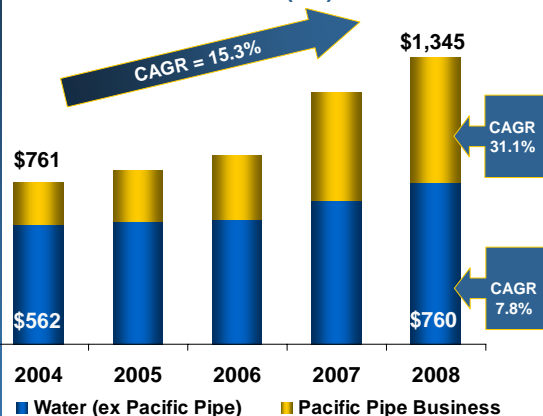
- Maximize global projects opportunity
- Enhance customer service via reduced lead-times
- Strengthen portfolio in core product families and targeted industries
- Increase working capital turns
- Optimize our cost structure

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Tyco Water - Strong Historical Growth Combined with Project Spikes

Total Sales (\$M)



- Pacific pipeline business doubled between 2005 and 2007 due to strong project activity
- Pacific pipeline business growth slowed down in 2008

Challenging Revenue Comparison Into 2009

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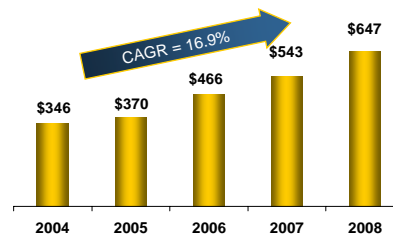
Thermal Controls – A Heat Management and Service Growth Strategy

Focus Areas

- Execute current “mega” oil and gas projects
- Strengthen North America services model to ensure scalability and extend project pipeline
- Replicate services model in Europe and Asia



Total Sales (\$M)



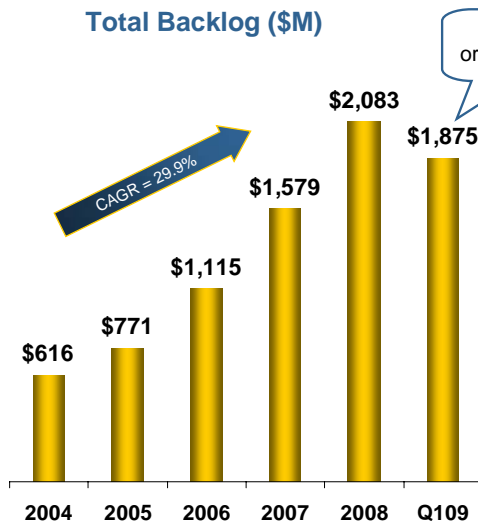
Expected To Grow To Near \$1B Over Next Few Years

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Flow Control—Backlog Continues to Be Strong

Total Backlog (\$M)



- Valves & Controls continued to grow through Q1
- Beginning to execute on “mega” projects for Thermal Controls with pull through in Valves & Controls
- Order rates are expected to weaken

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Fire Protection Services at a Glance

- 2008 Revenue of \$3.9B; 46% service revenue
- Market-Leading industry position
- Strong global presence
- Broad offering of fire products and services
- Diversified customer base
- Direct contracting and service provider
- Highest ROIC* in Tyco...over 100% excluding goodwill



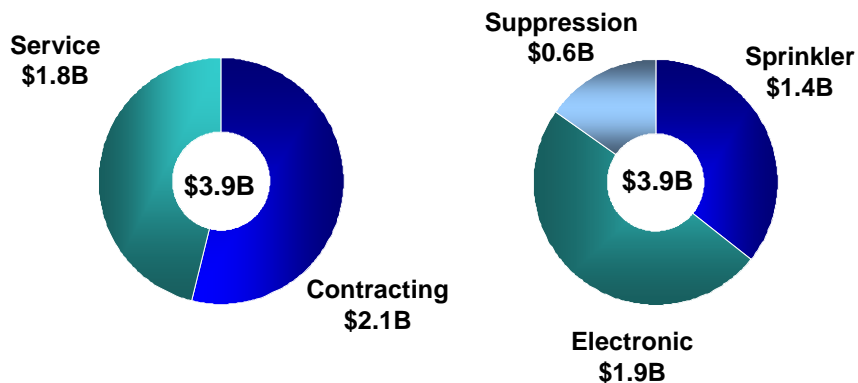
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*ROIC is a non-GAAP measure. Please see Appendix for a description of how ROIC is calculated.



Balanced Revenues

2008 Revenues

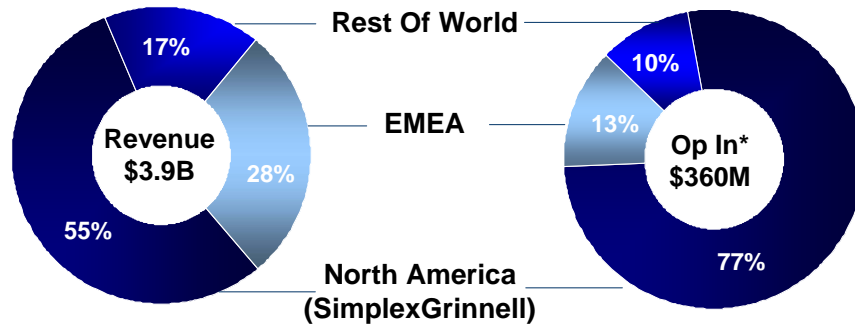


Electronic and Service Are the Most Profitable

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SimplexGrinnell is Our Largest and Most Profitable Business



Leverage North America Best Practices

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* Operating Income before special items is a Non-GAAP measure. For a reconciliation to the most comparable GAAP measure, please see Appendix.



Safety Products At A Glance



- 2008 Revenue of \$1.9B
- Market-leading provider of Fire Suppression, Electronic Security & Life Safety Products
- Well known brands
- Strong market position with leading technologies
- Attractive markets with long-term growth
- Deep technology pipeline
- Focus on emerging market growth

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Broad-Based Fire and Security Product Platforms

Fire Suppression



- Water and chemical fire suppressions systems
 - Water sprinkler heads
 - Fire extinguishers

Electronic Security



- Intrusion security
- Access control
- Video management systems
- Electronic fire detection
- Retail anti-theft electronic article surveillance

Life Safety



- Personal protective equipment
 - Breathing PAK
- Thermal imaging device

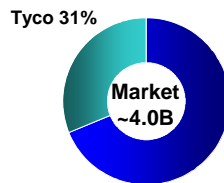
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Safety Products Participates in Attractive Markets

Fire Suppression & Building Products

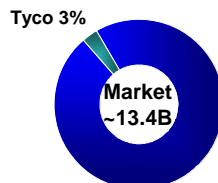
Expected Market Growth: 3-5%



Tyco 2008 Revenue: \$1.1B
Organic Growth* 10.0%

Electronic Security

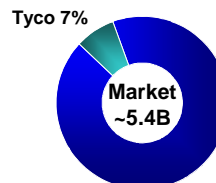
Expected Market Growth 4-5%



Tyco 2008 Revenue: \$459M
Organic Growth* 2.2%

Life Safety

Expected Market Growth: 3%



Tyco 2008 Revenue: \$386M
Organic Growth* 10.6%

Operating Margin In The Mid To High Teens

Source: Frost & Sullivan, JP Freeman, Freedonia and Management Estimates

* Organic revenue is a Non-GAAP measure. For a reconciliation to the most comparable GAAP measure, please see Appendix.

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Electrical & Metal Products At-A-Glance

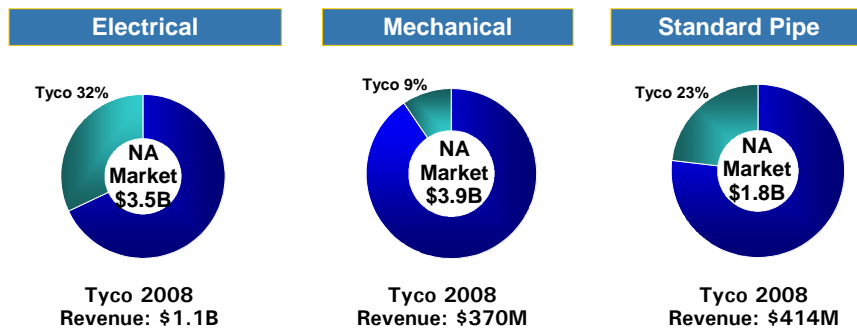


- 2008 Revenue of \$2.3B
- Generates strong operating margin and strong cash flow over the cycle
- Market leader in steel tubes and pipes, armored cable and electrical conduit products
- Strong, well-known brands
- Processes approximately one million tons of steel per year
- Profit is dependent on metal spreads – primarily steel and copper

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Markets Served Are Large



Key Performance Drivers

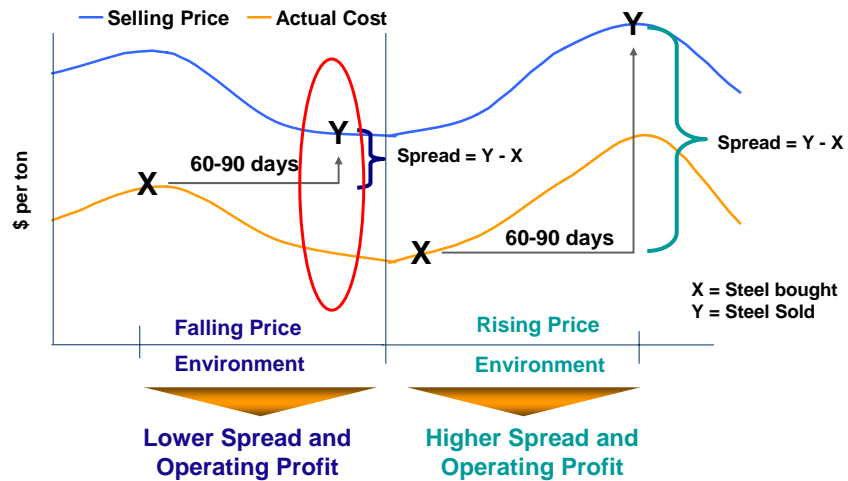
- Steel and copper costs
- Product pricing
- Commercial and residential construction activity
- Changes in fire codes and regulations requiring sprinklers

32 Source: Preston Pipe Reports and Management Estimates



Profitability Is Dependent on Metal Spreads, Primarily Steel and Copper

$$\text{Spread} = \text{Selling Price per ton} - \text{Cost per ton}$$



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Margin Rates Vary with Metal Spreads

| \$M | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|------------------|-------|--------|-------|-------|-------|-------|-------|
| Revenues | 1,258 | 1,163 | 1,579 | 1,798 | 1,949 | 1,974 | 2,272 |
| Growth % | 5.0% | (7.6%) | 35.8% | 13.9% | 8.4% | 1.3% | 15.1% |
| Operating Income | 222 | 120 | 371 | 295 | 319 | 159 | 342 |
| Margin % | 17.6% | 10.3% | 23.5% | 16.4% | 16.4% | 8.1% | 15.1% |

2002 – 2008 Average Margin of 15.3%

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Tyco Summary

- A diverse portfolio of market-leading businesses in electronic security, fire, safety services and products, valves and controls, and other industrial products
- Strong global businesses in attractive, growing markets
- Broad service activities generate over \$7B of service revenue
- Investing to grow our businesses
 - emerging markets
 - technology and innovation
- Strong balance sheet, cash flow generation and financial flexibility

Positioning For A Stronger Future

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The Tyco logo, consisting of the word "tyco" in a stylized, lowercase, white font, set against a dark blue background.

tyco

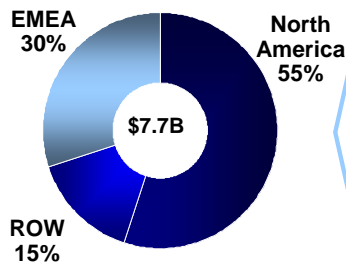
Appendix



ADT Worldwide Regional Overview

ADT North America – Disciplined Growth and Improving Operational Efficiency

2008 Revenue



2008 ADT North America

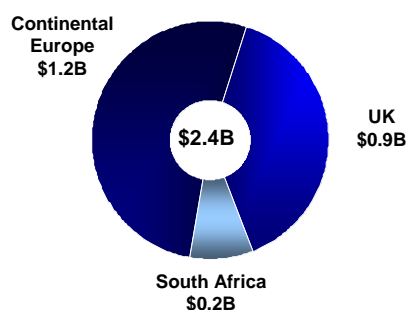
| | Resi- dential | Comm- ercial | Total NA |
|------------------|------------------|-----------------|-------------|
| Revenue | \$1.9B | \$2.3B | \$4.2B |
| % Recurring | 87% | 41% | 62% |
| Op Inc* | \$449M | \$275M | \$724M |
| % Margin | 23.5% | 11.9% | 17.2% |
| Adjusted EBITDA* | \$945M | \$495M | \$1,440M |
| EBITDA % | 49.4% | 21.5% | 34.1% |

Our Largest, Most Profitable Market

* Adjusted EBITDA, Operating Income before special items and Operating Margin before special items are Non-GAAP measures. For a reconciliation to the most comparable GAAP measure, please see Appendix.

ADT Europe, Middle East & Africa – Improve Operating Margin

2008 EMEA Revenue 30% of Total



| | ADT EMEA | ADT NA |
|-------------------------|---------------|-----------------|
| Revenue | \$2.4B | \$4.2B |
| Resi/Comm Split | 19%/81% | 45%/55% |
| % Recurring | 35% | 62% |
| Op Inc* | \$151M | \$724M |
| % Margin | 6.4% | 17.2% |
| Adjusted EBITDA* | \$248M | \$1,440M |
| EBITDA % | 10.5% | 34.1% |

Focus on Restructuring, Improved Execution & Mix

* Adjusted EBITDA, Operating Income before special items and Operating Margin before special items are Non-GAAP measures. For a reconciliation, please see Appendix.

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ADT Rest of World – Grow Faster in Emerging Markets

Asia/Pacific

2008 Revenue = \$826M;
Organic growth* of 12.1%

- Strong presence across the region
- Market leadership in Korea, Australia, Hong Kong and Singapore
- China and India markets are still small but represent growing opportunities for us
 - Opened first foreign-owned licensed monitoring center in China in 2007
 - Retail customers represent a significant opportunity both in China and India

Latin America

2008 Revenue = \$332M;
Organic growth* of 18.1%

- Strong presence and market leadership >25% market share across the region
- Mexico, Brazil, Chile and Argentina represent our largest markets
- Building our base of accounts throughout the region
- Focus on opportunities for growth across all markets

Securing Our Position in Faster Growth Markets

* Organic revenue growth is a Non-GAAP measure. For a reconciliation, please see Appendix.

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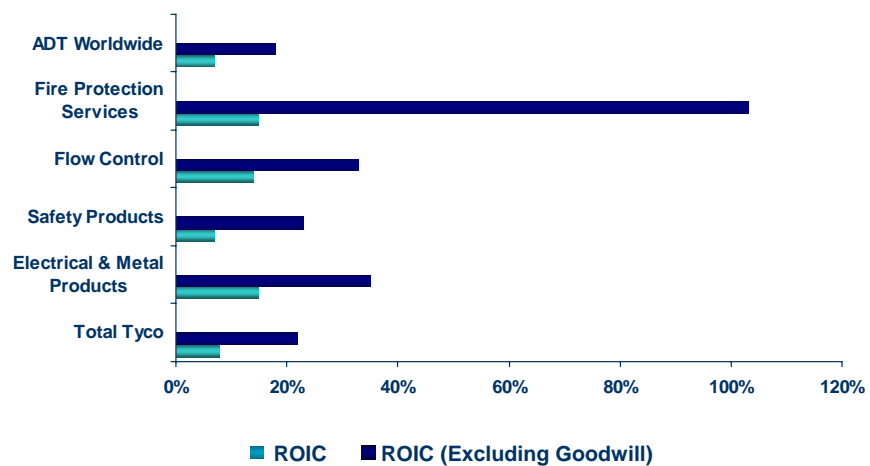




Non-GAAP Reconciliations

We Generate Strong Incremental Returns on Invested Capital

2008 Return on Invested Capital*



Return on Invested Capital (Including Goodwill)

| \$M | 2008 Op Inc* After Tax | 2008 Avg Invested Capital | 2008 ROIC |
|-----------------|------------------------------|---------------------------------|--------------|
| ADT Worldwide | \$754 | \$9,100 | 8% |
| Fire Protection | \$271 | \$1,681 | 16% |
| Flow Control | \$477 | \$3,504 | 14% |
| Safety Products | \$269 | \$3,008 | 9% |
| Elec. & Metal | \$290 | \$1,790 | 16% |
| Corporate | (\$387) | (\$635) | NM |
| Total | \$1,674 | \$18,448 | 9% |

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*Operating income is before special items, which is a Non-GAAP measure. For a reconciliation, please see following tables.



Return on Invested Capital (Excluding Goodwill)

| \$M | 2008 Op Inc* After Tax | 2008 Avg Invested Capital | 2008 ROIC |
|-----------------|------------------------------|---------------------------------|--------------|
| ADT Worldwide | \$754 | \$3,951 | 19% |
| Fire Protection | \$271 | \$242 | 112% |
| Flow Control | \$477 | \$1,456 | 33% |
| Safety Products | \$269 | \$934 | 29% |
| Elec. & Metal | \$290 | \$740 | 39% |
| Corporate | (\$387) | (\$646) | NM |
| Total | \$1,674 | \$6,677 | 25% |

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*Operating income is before special items, which is a Non-GAAP measure. For a reconciliation, please see following tables.



2008 Organic Revenue Growth

| \$M | 2007 Revenues | Acq/Disp & Other | FX | Organic Growth | 2008 Revenues | Organic % |
|--------------------|------------------|---------------------|------------|-------------------|------------------|-------------|
| ADT Worldwide | 7,288 | 27 | 204 | 212 | 7,731 | 2.9% |
| Flow Control | 3,766 | 6 | 314 | 332 | 4,418 | 8.8% |
| Fire Protection | 3,726 | - | 134 | (21) | 3,839 | (0.6)% |
| Electrical & Metal | 1,974 | 1 | 44 | 253 | 2,272 | 12.8% |
| Safety Products | 1,719 | 1 | 76 | 138 | 1,934 | 8.0% |
| Corporate & Other | 4 | - | - | 1 | 5 | 25.0% |
| Total | 18,477 | 35 | 772 | 915 | 20,199 | 5.0% |

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Q108 Organic Revenue Growth

| \$M | Q1FY07 Revenues | Acq/Disp & Other | FX | Organic Growth | Q1FY08 Revenues | Organic % |
|--------------------|--------------------|---------------------|------------|-------------------|--------------------|-------------|
| ADT Worldwide | 1,780 | (11) | 80 | 79 | 1,928 | 4.4% |
| Flow Control | 835 | (1) | 92 | 148 | 1,074 | 17.7% |
| Fire Protection | 871 | - | 45 | (16) | 900 | (1.8)% |
| Electrical & Metal | 443 | - | 11 | 33 | 487 | 7.5% |
| Safety Products | 406 | - | 22 | 19 | 447 | 4.7% |
| Corporate & Other | 1 | - | - | - | 1 | 0.0% |
| Total | 4,336 | (12) | 250 | 263 | 4,837 | 6.1% |

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Q109 Organic Revenue Growth

| \$M | Q1FY08 Revenues | Acq/Disp & Other | FX | Organic Growth | Q1FY09 Revenues | Organic % |
|--------------------|--------------------|---------------------|--------------|-------------------|--------------------|---------------|
| ADT Worldwide | 1,928 | 54 | (169) | (21) | 1,792 | (1.1)% |
| Flow Control | 1,074 | 1 | (124) | 8 | 959 | 0.7% |
| Fire Protection | 900 | - | (82) | 33 | 851 | 3.7% |
| Electrical & Metal | 487 | - | (16) | (55) | 416 | (11.3)% |
| Safety Products | 447 | (3) | (33) | (3) | 408 | (0.7)% |
| Corporate & Other | 1 | - | - | (1) | - | (100)% |
| Total | 4,837 | 52 | (424) | (39) | 4,426 | (0.8)% |

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2008 Operating Income Before Special Items

\$M

| | ADT Worldwide | Flow Control | Fire Protection Services | Electrical & Metal Products | Safety Products | Corporate and Other | Revenue |
|------------------------------------|------------------|-----------------|--------------------------------|-----------------------------------|--------------------|------------------------|----------|
| Previously Reported Revenue (GAAP) | \$8,017 | \$4,418 | \$3,553 | \$2,272 | \$1,934 | \$5 | \$20,199 |
| Segment Realignment | (286) | - | 286 | - | - | - | - |
| Recasted Revenue (GAAP) | \$7,731 | \$4,418 | \$3,839 | \$2,272 | \$1,934 | \$5 | \$20,199 |

| | ADT Worldwide | Flow Control | Fire Protection Services | Electrical & Metal Products | Safety Products | Corporate and Other | Total Operating Income |
|---|------------------|-----------------|--------------------------------|-----------------------------------|--------------------|------------------------|------------------------------|
| As Previously Reported (GAAP) | \$910 | \$618 | \$321 | \$342 | \$284 | (\$534) | \$1,941 |
| Segment Realignment | (4) | - | 4 | - | - | - | - |
| As Reported (GAAP) | \$906 | \$618 | \$325 | \$342 | \$284 | (\$534) | \$1,941 |
| Restructuring charges in cost of sales and SG&A | 1 | 9 | | 9 | 6 | 3 | 28 |
| Class action settlement, net | | | | | | (10) | (10) |
| Separation costs | | | | | | 5 | 5 |
| Losses on divestitures | | | | | | 1 | 1 |
| Restructuring and asset impairment charges, net | 93 | 5 | 25 | 34 | 67 | 1 | 225 |
| Goodwill impairment | | | 9 | | | | 9 |
| Reserve adjustment | | | | | | (9) | (9) |
| Legacy legal settlement | | | | | | 29 | 29 |
| Total Before Special Items | \$1,000 | \$632 | \$359 | \$385 | \$357 | (\$514) | \$2,219 |

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Q1 08 Operating Income Before Special Items

\$M, except for share data

| | ADT Worldwide | Flow Control | Fire Protection Services | Electrical & Metal Products | Safety Products | Corporate and Other | Revenue |
|------------------------------------|------------------|-----------------|--------------------------------|-----------------------------------|--------------------|------------------------|---------|
| Previously Reported Revenue (GAAP) | \$1,099 | \$1,074 | \$839 | \$487 | \$447 | \$1 | \$4,837 |
| Segment Realignment | (71) | | 71 | | | | - |
| Recasted Revenue (GAAP) | \$1,028 | \$1,074 | \$900 | \$487 | \$447 | \$1 | \$4,837 |

| | ADT Worldwide | Flow Control | Fire Protection Services | Electrical & Metal Products | Safety Products | Corporate and Other | Total Operating Income | Interest Expense, net | Other Expense, net | Income Taxes | Minority Interest | Income from Continuing Operations | Diluted EPS from Continuing Operations |
|---|------------------|-----------------|--------------------------------|-----------------------------------|--------------------|------------------------|------------------------------|-----------------------------|-----------------------|-----------------|----------------------|--|---|
| As Previously Reported (GAAP) | \$249 | \$171 | \$73 | \$41 | \$56 | (\$127) | \$483 | (\$55) | \$52 | (\$125) | (\$1) | \$340 | \$0.72 |
| Segment Realignment | (3) | | 3 | | | | - | | | | | - | - |
| As Reported (GAAP) | \$246 | \$171 | \$76 | \$41 | \$56 | (\$127) | \$483 | (\$55) | \$52 | (\$125) | (\$1) | \$340 | \$0.72 |
| Restructuring related charges in cost of sales | | | 1 | 2 | | | 3 | | | (1) | | 2 | 0.01 |
| Depreciation costs | | | | | | 10 | 10 | 7 | (50) | (5) | | (36) | (0.08) |
| Restructuring and asset impairment charges, net | | 7 | 1 | 2 | 1 | | 11 | | | (3) | | 8 | 0.02 |
| Tax items | | | | | | | | | | 20 | | 20 | 0.04 |
| Total Before Special Items | \$253 | \$179 | \$76 | \$43 | \$57 | (\$117) | \$517 | (\$52) | \$2 | (\$116) | (\$1) | \$352 | \$0.71 |

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Q1 09 Operating Income Before Special Items

\$M, except for share data

| | ADT Worldwide | Flow Control | Fire Protection Services | Electrical & Metal Products | Safety Products | Corporate and Other | Revenue |
|----------------|------------------|-----------------|--------------------------------|-----------------------------------|--------------------|------------------------|---------|
| Revenue (GAAP) | \$1,732 | \$359 | \$851 | \$416 | \$408 | - | \$4,426 |

| | ADT Worldwide | Flow Control | Fire Protection Services | Electrical & Metal Products | Safety Products | Corporate and Other | Total Operating Income | Interest Expense, net | Other Expense, net | Income Taxes | Minority Interest | Income from Continuing Operations | Diluted EPS from Continuing Operations |
|---|------------------|-----------------|--------------------------------|-----------------------------------|--------------------|------------------------|------------------------------|-----------------------------|-----------------------|-----------------|----------------------|--|---|
| As Reported (GAAP) | \$311 | \$117 | \$58 | \$27 | \$74 | (\$114) | \$413 | (\$61) | \$4 | (\$54) | - | \$272 | \$0.57 |
| Restructuring related charges in SG&A | 1 | 1 | | 1 | 1 | | 4 | | | (1) | | 3 | 0.01 |
| Legacy legal settlement | | | | | | 8 | 8 | | | | | 8 | 0.02 |
| Restructuring and asset impairment charges, net | | | | 1 | | | 1 | | | | | 1 | 0.00 |
| Divestiture charges | | 1 | | | | 2 | 3 | | | (1) | | 2 | 0.00 |
| Tax items | | | | | | | - | | | 6 | | 6 | 0.01 |
| Total Before Special Items | \$312 | \$119 | \$58 | \$29 | \$75 | (\$104) | \$426 | (\$61) | \$4 | (\$55) | \$0 | \$292 | \$0.61 |

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2008 Adjusted EBITDA Reconciliation

\$M

| | ADT | | |
|---|-----------------|-----------------|-----------------|
| | Worldwide | ADT NA | ADT EMEA |
| Revenue | \$ 7,731 | \$ 4,218 | \$ 2,355 |
| Operating Income | \$ 906 | \$ 665 | \$ 118 |
| Restructuring and asset impairment charges, net | \$ 94 | \$ 59 | \$ 33 |
| Operating Income Before Special Items | \$ 1,000 | \$ 724 | \$ 151 |
| Depreciation & Amortization | \$ 916 | \$ 716 | \$ 97 |
| Adjusted EBITDA | \$ 1,916 | \$ 1,440 | \$ 248 |
| Adjusted EBITDA Margin | 24.8% | 34.1% | 10.5% |

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Non-GAAP Measures

"Organic revenue", "operating income before special items", "operating margin before special items", "earnings per share (EPS) from continuing operations before special items", "adjusted earnings before interest, taxes, depreciation and amortization" (Adjusted EBITDA), and "return on invested capital" (ROIC) 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 do not reflect the underlying results and trends (for example, revenue reclassifications and changes to the fiscal year). 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 growth of the company's existing businesses, such as acquisition and divestiture activity. 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 growth in combination with the GAAP numbers. See the accompanying tables to this presentation for the reconciliation presenting the components of organic revenue.

The company has presented operating income and margin before special items and EPS from continuing operations before special items. Special Items include charges and gains related to divestitures, acquisitions, restructurings, legacy legal, 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 EPS and operating income and margin before special items to assess overall operating performance, segment level core operating performance and to provide insight to management in evaluating overall and segment operating plan execution and underlying market conditions. They may also be significant components in the company's incentive compensation plans.

Operating income, operating margin, and EPS from continuing operations before special items are useful measures for investors because they permit more meaningful comparisons of the company's underlying operating results and business trends between periods. The difference between EPS, operating income and margin before special items versus EPS, operating income and operating margin (the most comparable GAAP measures) consists of the impact of charges and gains related to divestitures, acquisitions, restructurings, legacy legal, tax charges and other income or charges that may mask the underlying operating results and/or business trends. 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 EPS and operating income and margin. This limitation is best addressed by using EPS, operating income and margin before special items 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.

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Non-GAAP Measures

Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) is a non-GAAP financial measure which represents earnings, excluding certain items such as depreciation and amortization, interest and financing expenses net of any interest income and income taxes and special items excluded from operating income. The difference between reported operating income (the most comparable GAAP measure) and Adjusted EBITDA (the non-GAAP measure) consists of the impact of depreciation and amortization, interest and financing expenses net of any interest income and income taxes and special items excluded from operating income. Management considers Adjusted EBITDA as an important measure of our operations and financial performance as Adjusted EBITDA is reflective of our operating effectiveness and financial performance. Use of Adjusted EBITDA, in conjunction with our GAAP results, provides transparency to investors and enhances period-to-period comparability of our operations and financial performance. The limitation of this measure is that it excludes items that have an impact on the GAAP operating income results. This limitation is best addressed by using Adjusted EBITDA in combination with operating income.

Return on invested capital (ROIC) is a non-GAAP measure that management believes provides useful supplemental information for management and the investor. ROIC is a tool by which we track how much value we are creating for our shareholders. ROIC is a useful measure of the company's performance because it quantifies the effectiveness of management's capital investment activities. Management calculates annual ROIC, both with and without the impact of goodwill, as a percentage, by dividing after-tax operating income (before special items) by the amount of capital invested across the business segment. We believe that ROIC provides management with a means to analyze and improve the company's business, measuring segment profitability in relation to net asset investments. The limitation associated with using ROIC is that it is dependent on items that are ultimately within management's and the Board of Directors' discretion and therefore may imply that there is better or worse investment return over a given time period. In addition, ROIC may not be calculated the same way by every company. We compensate for this limitation by monitoring and providing to the reader a full GAAP income statement and balance sheet.