



Second Quarter Review

April 28, 2011

Forward-Looking Statements / Safe Harbor

Certain statements in this presentation are “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. All forward-looking statements involve risks and uncertainties. All statements contained herein that are not clearly historical in nature are forward looking, and the words “anticipate,” “believe,” “expect,” “estimate,” “project” and similar expressions are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in press releases, written statements or other documents filed with the Securities and Exchange Commission (“SEC”), or in Tyco’s communications and discussions with investors and analysts in the normal course of business through meetings, webcasts, phone calls and conference calls, regarding expectations with respect to sales, earnings, cash flows, operating and tax efficiencies, product expansion, orders, backlog, the consummation and benefits of acquisitions and divestitures, as well as financings and repurchases of debt or equity securities, are subject to known and unknown risks, uncertainties and contingencies. Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performances or achievements. Factors that might affect such forward-looking statements include, among other things:

- overall economic and business conditions and overall demand for Tyco’s goods and services;
- economic conditions in the industries, end markets and regions served by our businesses, in particular our Flow Control segment;
- competitive factors in the industries in which Tyco 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 the Company’s governance, management, internal controls and operations including its business operations outside the United States;
- the outcome of litigation, arbitrations and governmental proceedings;
- effect of income tax audit settlements and appeals;
- our ability to repay or refinance our outstanding indebtedness as it matures and our ability to operate within the limitations imposed by financing arrangements and to maintain our credit ratings;
- interest rate fluctuations and other changes in borrowing costs;
- other capital market conditions, including availability of funding sources and currency exchange rate fluctuations;
- 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 initiatives;
- potential impairment of our goodwill and/or our long-lived assets;
- the impact of fluctuations in the price of Tyco common shares;
- risks associated with the change in our jurisdiction of incorporation from Bermuda to Switzerland, including the possibility of reduced flexibility with respect to certain aspects of capital management, increased or different regulatory burdens, and the possibility that we may not realize anticipated tax benefits;
- changes in U.S. and non-U.S. government laws and regulations; and
- 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.

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

Q2 Highlights

- Strengthened competitive capabilities in three core platforms
 - Growth oriented capital spend
 - Bolt-on acquisitions in Security and Flow
 - Investment in sales & marketing and R&D
 - Restructuring initiatives
- Returned excess cash to shareholders
 - Completed \$1 billion share repurchase program
 - Announced a new \$1 billion program
 - Shareholders approved 20% dividend increase
- Year over year operating margin* improvement of 190 bps, excluding Electrical & Metal Products
- Order Growth
 - Improving end markets driving accelerated growth in orders

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

Q2 2011 Results – Financial Overview

(EPS amounts are attributable to Tyco common shareholders)

(\$ in millions, except per-share amounts)

	Q2FY11	Q2 FY10	% Change
Revenue	\$3,992	\$4,094	(2%)
Excluding TEMP			6%
Operating Income			
before special items*	\$475	\$403	18%
Excluding TEMP*			26%
Operating Margin			
before special items*	11.9%	9.8%	210bps
Excluding TEMP*			190 bps
EPS from Cont. Ops.			
before special items*	\$0.73	\$0.58	26%

- Organic revenue* grew 3% year over year
- Year over year operating margin* improvement was driven by growth in service revenue and improved market conditions in most product and systems installation businesses as well as continued benefits from restructuring and cost containment

* 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.

Year over Year Earnings Per Share Bridge

Q2 FY10 EPS*	\$0.58
Segment Operations	\$0.15
Corporate Expense	\$0.02
Net Interest Expense	\$0.02
Tax Rate	\$0.02
TEMP/Other	<u>(\$0.06)</u>
Q2 FY11 EPS*	\$0.73

* Earnings per share before special items is a non-GAAP measure. For a reconciliation to the most comparable GAAP measure, please see appendix.

Second Quarter – Security Solutions

(\$ in millions)

	Q2FY11	Q2FY10	% Change
Revenue	\$2,079	\$1,852	12%
Operating Income*	\$335	\$267	25%
Operating Margin*	16.1%	14.4%	

- Organic revenue* grew 5.5%
 - Recurring revenue, which represented 58% of total revenue, grew 4.5% organically
 - Non-recurring revenue, which represented 42% of total revenue, grew 7% organically

- Global recurring account base grew 20% year over year to 8.9 million accounts
 - Excluding acquired Broadview accounts, account base grew 2.5%
- ARPU of \$45.72 improved slightly on a sequential basis and declined 2% year over year, excluding currency
 - Excluding acquired Broadview accounts, ARPU grew 2%
- Worldwide attrition rate improved 40 bps year over year and was flat sequentially at 12.7%

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

Second Quarter – Security Solutions Regional Performance

North America – Residential & Small Business

- Almost 90% of revenue was recurring which grew 33%, or 5% organically*
- Operating margin* remained strong year over year
- Excluding acquired Broadview accounts, account base grew 2% and ARPU grew 3%, excluding the impact of foreign currency
- Attrition rate improved 20 bps year over year and 10bps sequentially to 12.9%

North America – Commercial

- 7% organic revenue* growth
- 80 bps operating margin* improvement year over year
- About 40% of revenue was recurring

Europe, Middle East & Africa

- Operating margin* improved 570 bps year over year to 11.8%
- Operating margin* benefited from past restructuring and cost containment initiatives

Asia Pacific & Latin America

- Primarily commercial
- 10% organic revenue* growth
- Operating margin* in the low teens

Security Products

- 14% organic revenue* growth
- Increase in R&D investment to position for future growth

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

Second Quarter – Fire Protection

(\$ in millions)

	Q2FY11	Q2FY10	% Change
Revenue	\$1,109	\$1,082	2%
Operating Income*	\$135	\$111	24%
Operating Margin*	12.2%	10.3%	

- Backlog of \$1.25B increased 2% on a quarter sequential basis, excluding impact of foreign currency
- Orders grew 5% year over year, excluding the impact of foreign currency

- Organic revenue* grew 4%
 - Service revenue grew 4%
 - Systems installation revenue decreased 1.5% primarily due to project selectivity
 - Fire products grew 11%
- Year over year operating margin* improvement driven by increased revenue, project selectivity and continued benefits from restructuring and productivity initiatives

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

Second Quarter – Flow Control

(\$ in millions)

	Q2FY11	Q2FY10	% Change
Revenue	\$804	\$824	(2%)
Operating Income*	\$91	\$97	(6%)
Operating Margin*	11.3%	11.8%	

- Severe weather conditions and flooding in Australia throughout the quarter significantly impacted shipments to customers and resulted in lost productivity in the Water business
 - Reduced revenue and operating income* by approximately \$30M and \$13M, respectively
 - Adjusting for these conditions, revenue and operating income* met expectations
- Organic revenue* declined 5%
 - Valves up 1%
 - Thermal up 5%
 - Water declined 31%
- Backlog of \$1.65B increased 5% sequentially, excluding impact of foreign currency
- Orders increased 8% year over year, excluding impact of foreign currency
 - Valves up 11%

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

Guidance – Flow Control

(\$ in millions)	Actual	Guidance**	
	Q2 FY11	Q3 FY11	Q4 FY11
Revenue			
Valves	\$507	~\$575	~\$600
Water	\$135	~\$190	~\$190
Thermal	<u>\$162</u>	~ <u>\$135</u>	~ <u>\$160</u>
Total	\$804	~\$900	~\$950
Operating Margin*	11.3%	~12%	~14%

Q3 Guidance

- Revenue growth in Valves and partial recovery of Water shortfall from the second quarter
- Operating margin* benefits from volume leverage in Valves offset by \$15M sequential decline in Thermal due to normal seasonality and increased lower margin installation revenue

Q4 Guidance

- Revenue growth continues in Valves with seasonal improvement in Thermal
- Operating margin* continues to benefit from leverage in Valves and seasonal lift in Thermal

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

** Excludes the impact of KEF acquisition

Other Items – Corporate Expense

- Corporate expense before special items* was \$86M in the quarter
 - Outlook: expect \$130M - \$140M of corporate expense in Q311 and \$400M - \$420M for full year
 - Second half expense tends to be higher due to timing of certain expenses and annual valuations

(\$ in millions)	Actual		Guidance		
	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11	FY11
Corporate Expense	\$97	\$86	\$130-\$140	\$87-\$97	\$400-\$420

	Actual				
	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10
Corporate Expense	\$95	\$98	\$142	\$110	\$445

* Corporate expense before special items is a non-GAAP measure. For a reconciliation to the most comparable GAAP measure, please see appendix.

Other Items – Tax and Other Expense

- Tax rate excluding special items* was 15.4% for the quarter
 - Outlook: expect tax rate to be about 18%, excluding special items, in Q311 and for the full year
- Other expense of (\$6M) primarily relates to 49% minority interest in Electrical and Metal Products
 - Outlook: expect results of our minority interest in Electrical and Metal Products to be breakeven in Q3 and slightly negative for the full year

* Effective tax rate before special items is a non-GAAP measure. For a reconciliation to the most comparable GAAP measure, please see appendix.



APPENDIX

Non-GAAP Measures

"Organic revenue," "free cash flow (outflow)" (FCF), "income from continuing operations before special items," "earnings per share (EPS) from continuing operations before special items," "operating income before special items" and "operating margin 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 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 (such as Broadview Security), 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 press release for the reconciliation presenting the components of organic revenue.

FCF is a useful measure of the company's cash which is free from any significant existing obligation. 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. FCF permits management and investors to gain insight into the number that management employs to measure cash that is free from any significant existing obligation. 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,*
- accounts purchased by ADT,*
- cash paid for purchase accounting and holdback liabilities, voluntary pension contributions, and*
- the sale of accounts receivable programs.*

Non-GAAP Measures Continued

Capital expenditures and accounts purchased by ADT are subtracted because they represent long-term commitments. Cash paid for purchase accounting and holdback liabilities is subtracted because these cash outflows are not available for general corporate uses. Voluntary pension contributions and the impact from the sale of accounts receivable programs are added or subtracted because this activity is driven by economic financing decisions rather than operating activity.

The limitation associated with using FCF is that it adjusts 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. This limitation is best addressed by using FCF in combination with the GAAP cash flow numbers.

FCF as presented herein may not be comparable to similarly titled measures reported by other companies. The measure should be used in conjunction with other GAAP financial measures. Investors are urged to read the company's financial statements as filed with the Securities and Exchange Commission, as well as the accompanying tables to this press release that show all the elements of the GAAP measures of Cash Flows from Operating Activities, Cash Flows from Investing Activities, Cash Flows from Financing Activities and a reconciliation of the company's total cash and cash equivalents for the period. See the accompanying tables to this press release for a cash flow statement presented in accordance with GAAP and a reconciliation presenting the components of FCF.

The company has presented its income and EPS from continuing operations before special items and operating income and margin before special items. Special Items include charges and gains related to divestitures, acquisitions, restructurings, impairments, 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 income and EPS from continuing operations before special items and operating income and margin before special items 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. They may be used as components in the company's incentive compensation plans. Operating income, operating margin, and income 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 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 charges and gains related to divestitures, acquisitions, restructurings, impairments, legacy legal and tax charges and other income or charges that may mask the underlying operating results and/or business trends. Operating income and margin before special items do not reflect any additional adjustments that are not reflected in income from continuing operations before special items. 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 operating income and margin and operating income and EPS from continuing operations. This limitation is 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. Tyco 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."

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

	For the Quarters Ended		For the Six Months Ended	
	March 25, 2011	March 26, 2010	March 25, 2011	March 26, 2010
Revenue from product sales	\$ 2,118	\$ 2,395	\$ 4,626	\$ 4,834
Service revenue	1,874	1,699	3,745	3,415
Net revenue	3,992	4,094	8,371	8,249
Cost of product sales	1,468	1,696	3,242	3,437
Cost of services	976	907	1,952	1,782
Selling, general and administrative expenses	1,085	1,094	2,222	2,217
Restructuring, asset impairments and divestiture charges (gain), net	26	(28)	(188)	(17)
Operating income	437	425	1,143	830
Interest income	9	8	18	17
Interest expense	(63)	(75)	(125)	(150)
Other (expense) income, net	(6)	3	(6)	12
Income from continuing operations before income taxes	377	361	1,030	709
Income tax expense	(57)	(53)	(220)	(104)
Income from continuing operations	320	308	810	605
(Loss) income from discontinued operations, net of income taxes	(4)	4	165	10
Net income	316	312	975	615
Less: noncontrolling interest in subsidiaries net income	1	2	1	3
Net income attributable to Tyco common shareholders	\$ 315	\$ 310	\$ 974	\$ 612
Amounts attributable to Tyco common shareholders:				
Income from continuing operations	\$ 319	\$ 306	\$ 809	\$ 602
(Loss) income from discontinued operations	(4)	4	165	10
Net income attributable to Tyco common shareholders	\$ 315	\$ 310	\$ 974	\$ 612
Basic earnings per share attributable to Tyco common shareholders:				
Income from continuing operations	\$ 0.68	\$ 0.64	\$ 1.69	\$ 1.26
(Loss) income from discontinued operations	(0.01)	0.01	0.34	0.03
Net income attributable to Tyco common shareholders	\$ 0.67	\$ 0.65	\$ 2.03	\$ 1.29
Diluted earnings per share attributable to Tyco common shareholders:				
Income from continuing operations	\$ 0.67	\$ 0.64	\$ 1.67	\$ 1.26
(Loss) income from discontinued operations	(0.01)	0.01	0.34	0.02
Net income attributable to Tyco common shareholders	\$ 0.66	\$ 0.65	\$ 2.01	\$ 1.28
Weighted average number of shares outstanding:				
Basic	472	476	480	476
Diluted	477	478	485	479

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 24, 2010 and Form 10-Q for the quarter ended December 24, 2010.

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

	Quarters Ended		Six Months Ended	
	March 25, 2011	March 26, 2010	March 25, 2011	March 26, 2010
NET REVENUE				
Tyco Security Solutions	\$ 2,079	\$ 1,852	\$ 4,186	\$ 3,766
Tyco Fire Protection	1,109	1,082	2,208	2,194
Tyco Flow Control	804	824	1,630	1,656
Electrical and Metal Products	-	336	347	633
Corporate and Other	-	-	-	-
Total Net Revenue	\$ 3,992	\$ 4,094	\$ 8,371	\$ 8,249
OPERATING INCOME AND MARGIN				
Tyco Security Solutions	\$ 323	15.5% \$ 312	16.8% \$ 670	16.0% \$ 580
Tyco Fire Protection	128	11.5% 103	9.5% 216	9.8% 212
Tyco Flow Control	86	10.7% 91	11.0% 186	11.4% 193
Electrical and Metal Products	-	- 24	7.1% 7	2.0% 47
Corporate and Other	(100)	N/M (105)	N/M 64	N/M (202)
Operating Income and Margin	\$ 437	\$ 425	\$ 1,143	\$ 830

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

Quarter Ended March 25, 2011													
Base Year Adjustments													
	Net Revenue for the Quarter Ended March 26, 2010	Acquisitions	(Divestitures)	Adjusted 2010 Base Revenue	Foreign Currency	Acquisitions	Other	Organic Revenue*			Net Revenue for the Quarter Ended March 25, 2011		
Tyco Security Solutions	\$ 1,852	\$ 139 7.5%	\$ (48) -2.6%	\$ 1,943	\$ 29 1.6%	\$ - 0.0%	\$ - 0.0%	\$ 107 5.5%			\$ 2,079	12.3%	
Tyco Fire Protection	1,082	- 0.0%	(12) -1.1%	1,070	17 1.6%	- 0.0%	(19) -1.8%	41 3.8%			1,109	2.5%	
Tyco Flow Control	824	- 0.0%	(2) -0.2%	822	24 2.9%	1 0.1%	- 0.0%	(43) -5.2%			804	-2.4%	
Total before Electrical and Metal Products	\$ 3,758	\$ 139 3.7%	\$ (62) -1.6%	\$ 3,835	\$ 70 1.9%	\$ 1 0.0%	\$ (19) -0.5%	\$ 105 2.7%			\$ 3,992	6.2%	
Electrical and Metal Products	336	- 0.0%	(336) -100.0%	-	- 0.0%	- 0.0%	- 0.0%	- 0.0%			-	-100.0%	
Total Net Revenue	\$ 4,094	\$ 139 3.4%	\$ (398) -9.7%	\$ 3,835	\$ 70 1.7%	\$ 1 0.0%	\$ (19) -0.5%	\$ 105 2.7%			\$ 3,992	-2.5%	

Six Months Ended March 25, 2011													
Base Year Adjustments													
	Net Revenue for the Six Months Ended March 26, 2010	Acquisitions	(Divestitures)	Adjusted 2010 Base Revenue	Foreign Currency	Acquisitions	Other	Organic Revenue*			Net Revenue for the Six Months Ended March 25, 2011		
Tyco Security Solutions	\$ 3,766	\$ 277 7.4%	\$ (110) -2.9%	\$ 3,933	\$ 34 0.9%	\$ - 0.0%	\$ - 0.0%	\$ 219 5.6%			\$ 4,186	11.2%	
Tyco Fire Protection	2,194	- 0.0%	(23) -1.0%	2,171	16 0.7%	- 0.0%	(37) -1.7%	58 2.7%			2,208	0.6%	
Tyco Flow Control	1,656	- 0.0%	(8) -0.5%	1,648	31 1.9%	5 0.3%	- 0.0%	(54) -3.3%			1,630	-1.6%	
Total before Electrical and Metal Products	\$ 7,616	\$ 277 3.6%	\$ (141) -1.9%	\$ 7,752	\$ 81 1.1%	\$ 5 0.1%	\$ (37) -0.5%	\$ 223 2.9%			\$ 8,024	5.4%	
Electrical and Metal Products	633	- 0.0%	(336) -53.1%	297	2 0.3%	4 0.6%	- 0.0%	44 14.8%			347	-45.2%	
Total Net Revenue	\$ 8,249	\$ 277 3.4%	\$ (477) -5.8%	\$ 8,049	\$ 83 1.0%	\$ 9 0.1%	\$ (37) -0.4%	\$ 267 3.3%			\$ 8,371	1.5%	

* Organic revenue growth percentage based on adjusted 2010 base revenue.

See "Non-GAAP Measures" for a description of the calculation methodology.

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

	March 25, 2011	September 24, 2010
Current Assets:		
Cash and cash equivalents	\$ 1,840	\$ 1,775
Accounts receivable, net	2,312	2,493
Inventories	1,353	1,443
Prepaid expenses and other current assets	892	936
Deferred income taxes	364	382
Assets held for sale	-	324
Total current assets	<u>6,761</u>	<u>7,353</u>
Property, plant and equipment, net	3,959	4,156
Goodwill	9,721	9,577
Intangible assets, net	3,437	3,446
Other assets	2,676	2,596
Total Assets	<u>\$ 26,554</u>	<u>\$ 27,128</u>
Current Liabilities:		
Loans payable and current maturities of long-term debt	\$ 2	\$ 536
Accounts payable	1,167	1,340
Accrued and other current liabilities	2,645	2,671
Deferred revenue	653	618
Liabilities held for sale	-	103
Total current liabilities	<u>4,467</u>	<u>5,268</u>
Long-term debt	4,129	3,652
Deferred revenue	1,158	1,106
Other liabilities	2,906	3,001
Total Liabilities	<u>\$ 12,660</u>	<u>\$ 13,027</u>
Total Tyco shareholders' equity	13,888	14,084
Noncontrolling interest	6	17
Total Equity	<u>13,894</u>	<u>14,101</u>
Total Liabilities and Equity	<u>\$ 26,554</u>	<u>\$ 27,128</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 24, 2010 and Form 10-Q for the quarter ended December 24, 2010.

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

	For the Quarters Ended		For the Six Months Ended	
	March 25, 2011	March 26, 2010	March 25, 2011	March 26, 2010
Cash Flows From Operating Activities:				
Net income attributable to Tyco common shareholders	\$315	\$310	\$974	\$612
Noncontrolling interest in subsidiaries net income	1	2	1	3
Loss (income) from discontinued operations, net of income taxes	4	(4)	(165)	(10)
Income from continuing operations	320	308	810	605
Adjustments to reconcile net cash provided by operating activities:				
Depreciation and amortization	322	280	645	565
Non-cash compensation expense	28	31	59	62
Deferred income taxes	(4)	(37)	122	(36)
Provision for losses on accounts receivable and inventory	16	30	48	64
Loss (gain) on divestitures	13	(43)	(233)	(45)
Other non-cash items	20	17	36	22
Changes in assets and liabilities, net of the effects of acquisitions and divestitures:				
Accounts receivable, net	(54)	(28)	(43)	65
Inventories	(61)	(28)	(165)	(66)
Prepaid expenses and other current assets	11	20	(13)	20
Accounts payable	(20)	27	(99)	(48)
Accrued and other liabilities	(11)	15	(281)	(199)
Other	87	40	27	(2)
Net cash provided by operating activities	667	632	913	1,007
Net cash provided by (used in) discontinued operating activities	1	(1)	(9)	3
Cash Flows From Investing Activities:				
Capital expenditures	(182)	(168)	(361)	(332)
Proceeds from disposal of assets	2	3	5	19
Acquisition of businesses, net of cash acquired	—	(9)	(9)	(152)
Accounts purchased by ADT	(146)	(116)	(279)	(266)
Divestiture of businesses, net of cash retained	(4)	13	706	28
Other	26	1	23	11
Net cash (used in) provided by investing activities	(304)	(276)	85	(692)
Net cash (used in) provided by discontinued investing activities	(6)	(2)	259	(3)
Cash Flows From Financing Activities:				
Repayments of short-term debt	(516)	(1)	(532)	(243)
Proceeds from issuance of long-term debt	497	—	497	498
Repayment of long-term debt	(1)	(1)	(2)	(9)
Proceeds from exercise of share options	42	3	64	9
Dividends paid	(111)	(107)	(224)	(214)
Repurchase of common shares by treasury	(500)	—	(1,000)	—
Transfer (to) from discontinued operations	(5)	(3)	250	—
Other	2	10	10	22
Net cash (used in) provided by financing activities	(592)	(99)	(937)	63
Net cash provided by (used in) discontinued financing activities	5	3	(250)	—
Effect of currency translation on cash	7	3	14	1
Net (decrease) increase in cash and cash equivalents	(222)	260	75	379
Net increase (decrease) in cash related to discontinued operations	—	—	—	—
Decrease in cash from deconsolidation of variable interest entity	—	—	(10)	—
Cash and cash equivalents at beginning of period	2,062	2,473	1,775	2,354
Cash and cash equivalents at end of period	\$1,840	\$2,733	\$1,840	\$2,733
Reconciliation to "Free Cash Flow":				
Net cash provided by operating activities	\$667	\$632	\$913	\$1,007
Sale of accounts receivable	—	3	—	2
Capital expenditures, net	(180)	(165)	(356)	(313)
Accounts purchased by ADT	(146)	(116)	(279)	(266)
Purchase accounting and holdback liabilities	1	(3)	1	(3)
Free Cash Flow	\$342	\$351	\$279	\$427

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

Earnings Per Share Summary
(Unaudited)

	<u>March 25, 2011</u>	<u>March 26, 2010</u>
Diluted EPS from Continuing Operations Attributable to Tyco Shareholders (GAAP)	\$0.67	\$0.64
Restructuring, net	0.02	0.02
Acquisition costs	0.01	0.01
Asset impairments and (gains) / losses on divestitures, net	0.03	(0.10)
Tax items	-	0.01
Total Before Special Items	\$0.73	\$0.58

Tyco International Ltd.

For the Quarter Ended March 25, 2011

(in millions, except per share data)

(Unaudited)

(In millions, except per share data)

(Unaudited)

	Tyco Security Solutions		Tyco Fire Protection		Tyco Flow Control		Corporate and Other		Revenue	
Revenue (GAAP)	\$2,079		\$1,109		\$804		-		\$3,992	

Operating Income									Total Operating Income	Interest Expense, net	Other Expense	Income Taxes	Noncontrolling Interest	Income from Continuing Operations Attributable to Tyco Shareholders	Diluted EPS from Continuing Operations Attributable to Tyco Shareholders	
	Tyco Security Solutions		Tyco Fire Protection		Tyco Flow Control		Corporate and Other									
	Margin		Margin		Margin		Margin		Margin							
As Reported (GAAP)	\$323	15.5%	\$128	11.5%	\$86	10.7%	(\$100)	N/M	\$437	10.9%	(\$54)	(\$6)	(\$57)	(\$1)	\$319	\$0.67
Restructuring, net	1		4		6		2		13				(4)		9	0.02
Restructuring charges in cost of sales and SG&A					(1)				(1)				-		(1)	-
(Gains) / losses on divestitures, net	1		3				9		13				1		14	0.03
Acquisition costs	10						2		12				(4)		8	0.01
Legacy legal items							1		1				-		1	-
Total Before Special Items	\$335	16.1%	\$135	12.2%	\$91	11.3%	(\$86)	N/M	\$475	11.9%	(\$54)	(\$6)	(\$64)	(\$1)	\$350	\$0.73

Diluted Shares Outstanding	477
Diluted Shares Outstanding - Before Special Items	477

Tyco International Ltd.
For the Quarter Ended March 26, 2010

(in millions, except per share data)
(Unaudited)

	Tyco Security Solutions	Tyco Fire Protection	Tyco Flow Control	Safety Products	Corporate and Other	Electrical & Metal Products	Revenue
Previously Reported Revenue	\$1,767	\$807	\$824	\$360	-	\$336	\$4,094
Segment Realignment	85	275		(360)			-
Recasted Revenue (GAAP)	\$1,852	\$1,082	\$824	-	-	\$336	\$4,094

Operating Income													Total Operating Income	Margin	Interest Expense, net	Other Income, net	Income Taxes	Noncontrolling Interest	Income from Continuing Operations Attributable to Tyco Shareholders	Diluted EPS from Continuing Operations Attributable to Tyco Shareholders
Tyco Security Solutions	Margin	Tyco Fire Protection	Margin	Tyco Flow Control	Margin	Safety Products	Margin	Corporate and Other	Margin	Electrical & Metal Products	Margin									
As Previously Reported (GAAP)	\$305	17.3%	\$62	7.7%	\$91	11.0%	\$47	13.1%	(\$104)	N/M	\$24	7.1%	\$425	10.4%	(\$67)	\$3	(\$53)	(\$2)	\$306	\$0.64
Segment Realignment	7		41				(47)		(1)				-						-	-
Recasted (GAAP)	\$312	16.8%	\$103	9.5%	\$91	11.0%	-	-	(\$105)	N/M	\$24	7.1%	\$425	10.4%	(\$67)	\$3	(\$53)	(\$2)	\$306	\$0.64
Restructuring, net	5		5		5						2		17				(7)		10	0.02
Restructuring charges in cost of sales and SG&A					1							1							1	-
Other additional charges resulting from restructuring actions					1							1							1	-
Acquisition costs	1								3			4							4	0.01
(Gains) / losses on divestitures, net	(51)		3		(1)				4			(45)					(4)		(49)	(0.10)
Tax items												-					5		5	0.01
Total Before Special Items	\$267	14.4%	\$111	10.3%	\$97	11.8%	-	-	(\$98)	N/M	\$26	7.7%	\$403	9.8%	(\$67)	\$3	(\$59)	(\$2)	\$278	\$0.58

Diluted Shares Outstanding	478
Diluted Shares Outstanding - Before Special Items	478