



## 2010 Citi North American Credit Conference

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November 18, 2010



## 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, 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:

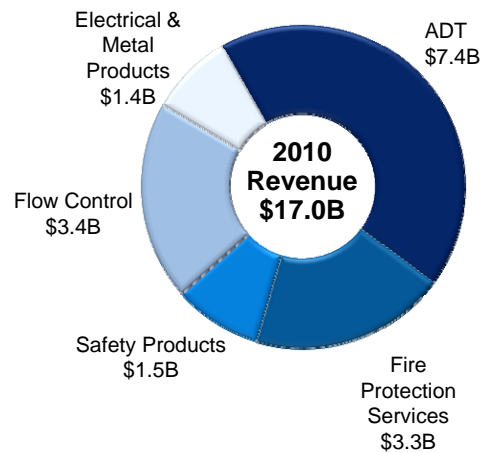
- overall economic and business conditions;
- the demand for Tyco's goods and services;
- competitive factors in the industries in which Tyco competes;
- changes in tax requirements (including tax rate changes, new tax laws or treaties and revised tax law interpretations);
- results and consequences 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;
- 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;
- 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 sourcing 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 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.

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## A Diverse Portfolio Of Businesses With Strong Market Leading Brands

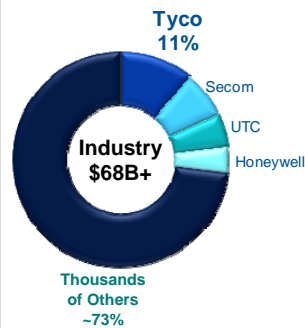


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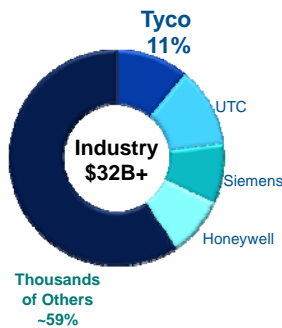
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## We Are Well-Positioned In Attractive Industries

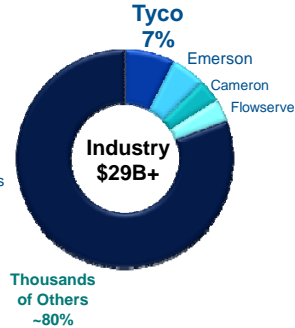
### Global Electronic Security Industry



### Global Fire Industry



### Global Industrial Valves & Controls Industry



Fragmented Industries Provide Growth Opportunities

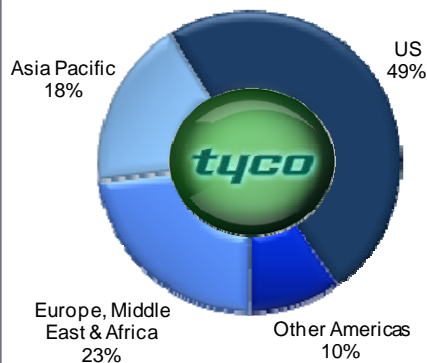
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Source: Freedonia, McIlrain, Industry and Management Estimates



## A Strong Position In Developed Markets With An Expanding Emerging Markets Presence

2010 Revenue = \$17.0B

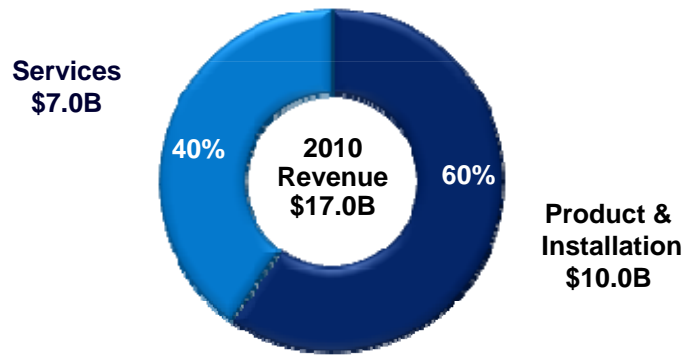


- >50% of our revenue is generated outside of the U.S.
- More than 100,000 employees
- Emerging markets represent 15% of revenue

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## 40% Of Total Revenue Is Monitoring And Service Revenue



A Large, Stable Base Of Service Revenue

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## 2010 Key Highlights

- **Invested in our businesses for growth**
  - Broadview and Brazilian valves acquisitions
  - New product and service introductions
  - Technology and innovation investments
    - Introduced localized products in emerging markets
- **Continued to refine our portfolio**
  - Divested ADT France and EMEA Waterworks
  - Announced sale of 51% of Electrical and Metals Products
  - Streamlined focus on Fire, Security and Flow platforms

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## Further Strengthened Our Financial Performance

(\$ in millions)

	FY10	FY09	%Δ
Revenue	17,016	16,882	1%
Operating Income*	1,748	1,575	11%
Operating Margin*	10.3%	9.3%	Up 100 basis points
Income from Continuing Operations*	1,308	1,106	18%
Free Cash Flow* Conversion Ratio	1,377 105%	1,184 107%	16%

Credit Ratings Have Improved

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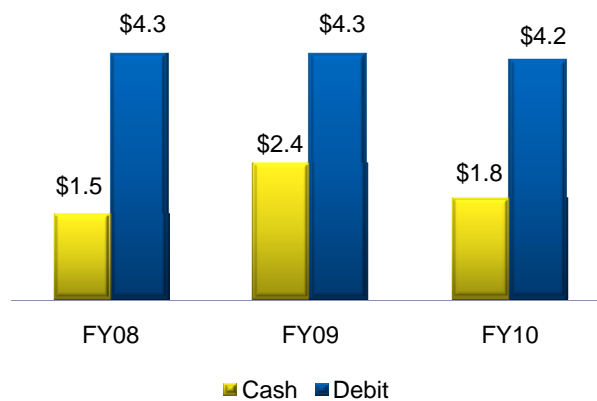
\*Operating income, operating margin, income from continuing operations before special items and free cash flow are non-GAAP measures. For a reconciliation to the most comparable GAAP measure, please see appendix



## Historical Cash And Debt Balances

- We have maintained healthy cash balances and consistent debt levels

(\$ in billions)

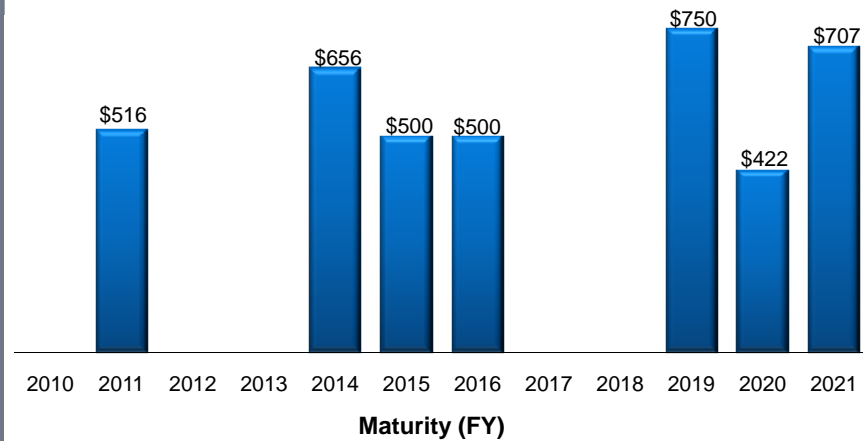


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## Smooth Debt Maturity Profile

(\$ in millions)



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## Summary

- A diverse portfolio of industry leading businesses in:
  - Security Products and Services
  - Fire Protection Products
  - Services and Flow Control Technology
- Strong global presence
- Large and growing service revenue – 40% of annual revenue
- Strong balance sheet, consistently good cash flow generation and improved credit ratings

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## APPENDIX

### 2010 Operating Income Before Special Items

Tyco International Ltd.

For the Twelve Months Ended September 24, 2010

(in millions, except per share data)

(Unaudited)

(in millions, except per share data)

(Unaudited)

	ADT Worldwide	Flow Control	Fire Protection Services	Electrical & Metal Products	Safety Products	Corporate and Other	Revenue
Previously Reported Revenue	\$7,376	\$3,530	\$3,365	\$1,399	\$1,513	-	\$17,183
Discontinued Operations / Transfers							(166)
Revenue (GAAP)	\$7,376	\$3,530	\$3,365	\$1,399	\$1,513	-	\$17,017

	Operating Income						Total Operating Income	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
	ADT Worldwide	Flow Control	Fire Protection Services	Electrical & Metal Products	Safety Products	Corporate and Other							
Income (Loss) (GAAP)	\$1,056	\$453	\$272	\$100	\$221	(\$63)	\$1,889	(\$254)	(\$75)	(\$138)	(\$7)	\$1,135	\$2.33
Discontinued Operations / Transfers						\$2	(\$11)	\$1				(\$10)	(\$0.02)
As Reported (GAAP)	\$1,056	\$453	\$272	\$100	\$221	(\$61)	\$1,878	(\$253)	(\$75)	(\$138)	(\$7)	\$1,125	\$2.31
Restructuring, net	\$60	\$25	\$25	\$6	\$7	\$1	134			(\$42)		\$2	0.19
Restructuring charges in cost of sales and SG&A			2	7			9			(3)		6	0.01
Other additional charges resulting from restructuring actions		1					1					1	-
ERISA insurance recovery						(1)	(1)					(1)	-
Acquisition costs	32					3	35			(11)		24	0.05
Asset impairments and (gains)/losses on divestitures, net	(44)	(1)	(3)	1	5	4	(38)			(4)		(42)	(0.09)
Separation Costs						10	10				(1)	9	0.02
Loss on extinguishment of Debt									\$7	(25)		\$2	0.13
Tax items										32		32	0.06
Total Before Special Items	\$1,104	\$458	\$306	\$114	\$233	(\$44)	\$1,748	(\$253)	\$12	(\$100)	(\$7)	\$1,308	\$2.68

Diluted Shares Outstanding 488  
Diluted Shares Outstanding - Before Special Items 488



**Tyco International Ltd.**  
**For the Twelve Months Ended September 25, 2009**  
*(in millions, except per share data)*  
*(Unaudited)*

Diluted Shares Outstanding	473
Diluted Shares Outstanding - Before Special Items	475

Twelve Months Ended	
September 24, 2010	September 25, 2009

Net cash provided by operating activities	\$ 2,630	\$ 2,387
Sale of accounts receivable	(2)	10
Capital expenditures, net	(689)	(690)
Accounts purchased by ADT	(559)	(543)
Purchase accounting and holdback liabilities	(3)	(2)
Voluntary pension contributions	-	22
<b>Free Cash Flow</b>	<b>\$ 1,377</b>	<b>\$ 1,184</b>

## Non-GAAP Measures

"Free cash flow (outflow)" (FCF), "income 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.

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.

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.

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## Non-GAAP Measures Continued

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 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 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 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 from continuing operations before special items and income 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 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".

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