FLEXTRONICS INTERNATIONAL LTD.
Form S-4/A
August 07, 2007

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As filed with the Securities and Exchange Commission on August 7, 2007
Registration No. 333-144486

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1 to
Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

FLEXTRONICS INTERNATIONAL LTD.
(Exact name of Registrant as specified in its charter)

Singapore	**3672**	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

One Marina Boulevard, #28-00
Singapore 018989
(65) 6890 7188
(Address, including zip code, and telephone number, including area code, of Registrant s principal executive offices)

Michael M. McNamara
Chief Executive Officer
Flextronics International Ltd.
One Marina Boulevard, #28-00
Singapore 018989
(65) 6890-7188
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Jeffrey N. Ostrager, Esq.
John D. Nielsen, Esq.
Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, New York 10178
(212) 696-6000

Steven E. Bochner, Esq.
Michael S. Ringler, Esq.
Wilson Sonsini Goodrich & Rosati,
Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304
(650) 493-9300

Approximate date of commencement of proposed sale of the securities to the public: Upon completion of the merger described herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Amount to Be Registered(1)	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Ordinary Shares, no par value	227,055,374	N/A	$2,438,009,766	$74,848(3)

(1) This Registration Statement relates to the ordinary shares, no par value, of the Registrant issuable to holders of common stock, $0.001 par value per share, of Solectron Corporation, or Solectron, in the Registrant s proposed acquisition by merger of Solectron. The number of ordinary shares of the Registrant to be registered pursuant to this Registration Statement is the product of (a) 658,131,519, the estimated maximum number of shares of Solectron common stock outstanding or issuable that could be exchanged for ordinary shares of the Registrant pursuant to the merger described herein, and (b) 0.3450, the exchange ratio under the merger agreement described herein.

(2) Estimated solely for the purpose of calculating the additional registration fee due pursuant to Rule 457(f) under the Securities Act of 1933, as amended. The proposed maximum offering price for 225,403,837 of the shares registered was calculated on the Registration Statement on Form S-4 filed on July 11, 2007; the proposed maximum aggregate offering price for such shares was $2,420,174,538. This Amendment No. 1 registers an additional 1,651,537 shares; the proposed maximum aggregate offering price for such shares equals (a) the product of (i) $3.775, the average of the high and low sales price of Solectron common stock as reported on the New York Stock Exchange on August 1, 2007, and (ii) 6,838,662, the estimated additional maximum number of shares of Solectron common stock that could be exchanged for Flextronics ordinary shares pursuant to the merger described herein, minus (b) $7,980,719, the minimum cash consideration that could be paid for such additional shares in the merger based on the per share cash consideration of $3.89 that will be paid for a minimum of 30% of Solectron s outstanding shares.

(3) $74,300 previously paid; $548 paid herewith.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

On June 4, 2007, Flextronics International Ltd., Solectron Corporation and Saturn Merger Corp., a wholly-owned subsidiary of Flextronics, entered into an agreement and plan of merger pursuant to which Flextronics will acquire Solectron. If the merger is completed, Solectron stockholders (including holders of outstanding restricted shares and former holders of the exchangeable shares of Solectron Global Services Canada Inc. who have exchanged their exchangeable shares for Solectron common stock in connection with the merger) will be entitled to receive, for each share of Solectron common stock they own and at the election of the stockholder, either: (i) 0.3450 of a Flextronics ordinary share, or (ii) a cash payment of $3.89, without interest. As further described in this joint proxy statement/prospectus, the merger agreement provides that, regardless of the elections made by Solectron stockholders, no more than 70% of Solectron s shares of common stock outstanding immediately prior to the closing of the merger can be converted into Flextronics ordinary shares, and no more than 50% of Solectron s shares of common stock outstanding immediately prior to the closing of the merger can be converted into cash. Therefore, the cash and stock elections made by Solectron stockholders may be subject to proration based on these limits. As a result, Solectron stockholders that have elected to receive either cash or Flextronics ordinary shares could in certain circumstances receive a combination of both cash and Flextronics ordinary shares.

Flextronics ordinary shares are traded on the NASDAQ Global Select Market under the symbol FLEX. Solectron common stock is traded on the New York Stock Exchange under the symbol SLR.

The merger cannot be completed unless Solectron stockholders adopt the merger agreement and Flextronics shareholders approve the issuance of Flextronics ordinary shares pursuant to the merger agreement, each at their respective stockholders meetings. The completion of the merger is also subject to the satisfaction or waiver of other conditions that are contained in the merger agreement. More information about Flextronics, Solectron, the merger agreement and the merger is contained elsewhere in this joint proxy statement/prospectus. **You are encouraged to read this joint proxy statement/prospectus carefully before voting, including the section entitled Risk Factors beginning on page 26.**

The Flextronics board of directors unanimously recommends that Flextronics shareholders vote FOR the proposal to approve the issuance of Flextronics ordinary shares pursuant to the merger agreement.

The Solectron board of directors unanimously recommends that Solectron stockholders vote FOR the proposal to adopt the merger agreement.

The proposals are being presented to Flextronics shareholders at the Flextronics annual general meeting and to Solectron stockholders at a special meeting of Solectron stockholders. The dates, times and places of those meetings are as follows:

For Flextronics Shareholders:	**For Solectron Stockholders:**
September 27, 2007, 10:00 a.m., California Time	September 27, 2007, 8:00 a.m., California Time
2090 Fortune Drive	847 Gibraltar Drive, Building 5
San Jose, California, 95131	Milpitas, California 95035

Your vote is very important. Whether or not you plan to attend your respective company s meeting, please take the time to vote by completing and mailing the enclosed proxy card to your respective company or, if you are a

stockholder of Solectron, by granting your proxy electronically over the Internet or by telephone. If your shares are held in street name, you must provide instructions to your broker in order to vote.

Sincerely,

Michael M. McNamara
Chief Executive Officer
Flextronics International Ltd.

Paul Tufano
Interim Chief Executive Officer and
Executive Vice President
Solectron Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved the Flextronics ordinary shares to be issued in connection with the merger, or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated August 7, 2007, and is first being mailed to stockholders of Flextronics and Solectron on or about August 13, 2007.

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FLEXTRONICS INTERNATIONAL LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number 199002645H)

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
To Be Held on September 27, 2007

To our shareholders:

You are cordially invited to attend, and NOTICE IS HEREBY GIVEN, of the annual general meeting of Shareholders of FLEXTRONICS INTERNATIONAL LTD., which will be held at our principal U.S. offices located at 2090 Fortune Drive, San Jose, California, 95131, U.S.A., at 10:00 a.m., California Time on September 27, 2007, for the following purposes:

To authorize the directors of Flextronics International Ltd., which is referred to in this notice as Flextronics, to allot and issue ordinary shares pursuant to the Agreement and Plan of Merger, dated as of June 4, 2007, entered into among Flextronics, Saturn Merger Corp., a wholly-owned subsidiary of Flextronics, and Solectron Corporation (*Proposal 1*);

To re-elect the following directors: James A. Davidson and Lip-Bu Tan (*Proposal 2*);

To re-appoint Mr. Rockwell A. Schnabel as a director of Flextronics (*Proposal 3*);

To approve the re-appointment of Deloitte & Touche LLP as Flextronics s independent auditors for the 2008 fiscal year and to authorize the board of directors upon the recommendation of the Audit Committee, to fix its remuneration (*Proposal 4*);

To approve a general authorization for the directors of Flextronics to allot and issue ordinary shares (*Proposal 5*);

To approve the cash compensation payable to Flextronics s non-employee directors (*Proposal 6*);

To approve the renewal of the Share Purchase Mandate relating to acquisitions by Flextronics of its own issued ordinary shares (*Proposal 7*); and

To approve amendments to Flextronics s 2001 Equity Incentive Plan relating to: (a) a 5,000,000-share increase in the sub-limit on the maximum number of ordinary shares which may be issued as stock bonus awards and (b) a 10,000,000-share increase in the share reserve (*Proposals 8 and 9*).

The full text of the resolutions proposed for approval by Flextronics s shareholders is as follows:

As Special Business

1. To pass the following resolution as an Ordinary Resolution:

RESOLVED THAT, pursuant to the provisions of Section 161 of the Singapore Companies Act, Cap. 50, authority be and is hereby given for the allotment and issuance of ordinary shares in the capital of Flextronics to stockholders of Solectron Corporation pursuant to, and in accordance with, the Agreement and Plan of Merger, dated as of June 4,

2007, entered into among Flextronics, Saturn Merger Corp., a wholly-owned subsidiary of Flextronics, and Solectron Corporation, which agreement is referred to below as the Merger Agreement and which provides for the acquisition of Solectron Corporation by Flextronics, and the directors be and are hereby authorized to do all acts and to execute and deliver all instruments or documents as they may deem necessary or desirable in connection with, or to give effect to, the issuance of the ordinary shares.

As Ordinary Business

2. To re-elect each of the following Directors, who will retire by rotation pursuant to Article 95 of Flextronics s Articles of Association, to the Board of Directors:

(a) Mr. James A. Davidson; and

(b) Mr. Lip-Bu Tan.

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3. To re-appoint Mr. Rockwell A. Schnabel to the Board of Directors of Flextronics pursuant to Section 153(6) of the Singapore Companies Act, Chapter 50, to hold office from the date of this Annual General Meeting until Flextronics s next Annual General Meeting.

4. To consider and vote upon a proposal to re-appoint Deloitte & Touche LLP as Flextronics s independent registered public accounting firm for the fiscal year ending March 31, 2008, and to authorize the Board of Directors, upon the recommendation of the Audit Committee of the Board of Directors, to fix its remuneration.

As Special Business

5. To pass the following resolution as an Ordinary Resolution:

RESOLVED THAT, pursuant to the provisions of Section 161 of the Singapore Companies Act, Cap. 50, and without prejudice to the authority conferred pursuant to Ordinary Resolution No. 1 as set out in the Notice dated August 7, 2007 convening this Annual General Meeting to issue ordinary shares in the capital of Flextronics to stockholders of Solectron Corporation pursuant to the Merger Agreement (if such aforementioned resolution has been approved at this Annual General Meeting), but subject otherwise to the provisions of the Singapore Companies Act, Cap. 50 and Flextronics s Articles of Association, authority be and is hereby given to Flextronics s Directors to:

(a) (i) allot and issue ordinary shares in Flextronics s capital; and/or

(ii) make or grant offers, agreements or options that might or would require ordinary shares in Flextronics s capital to be allotted and issued, whether after the expiration of this authority or otherwise (including but not limited to the creation and issue of warrants, debentures or other instruments convertible into ordinary shares in Flextronics s capital),

at any time to and/or with such persons and upon such terms and conditions and for such purposes as Flextronics s Directors may in their absolute discretion deem fit, and with such rights or restrictions as Flextronics s Directors may think fit to impose and as are set forth in Flextronics s Articles of Association; and

(b) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) allot and issue ordinary shares in Flextronics s capital in pursuance of any offer, agreement or option made or granted by Flextronics s Directors while this resolution was in force,

and that such authority shall continue in force until the conclusion of Flextronics s next Annual General Meeting or the expiration of the period within which its next Annual General Meeting is required by law to be held, whichever is the earlier.

6. To pass the following resolution as an Ordinary Resolution:

RESOLVED THAT, approval be and is hereby given for Flextronics to provide:

(a) Annual cash compensation of $60,000 to each of Flextronics s non-employee Directors for services rendered as a director;

(b) Additional annual cash compensation of $50,000 to the Chairman of the Audit Committee (if appointed) of the Board of Directors of Flextronics for services rendered as Chairman of the Audit Committee and for his or her participation on the Audit Committee;

(c) Additional annual cash compensation of $15,000 to each other non-employee Director of Flextronics who serves on the Audit Committee for his or her participation on the Audit Committee;

(d) Additional annual cash compensation of $25,000 to the Chairman of the Compensation Committee (if appointed) of the Board of Directors of Flextronics for services rendered as Chairman of the Compensation Committee and for his or her participation on the Compensation Committee;

(e) Additional annual cash compensation of $10,000 to the Chairman of the Nominating and Corporate Governance Committee (if appointed) of the Board of Directors of Flextronics for services rendered as Chairman of the Nominating and Corporate Governance Committee and for his or her participation on the Nominating and Corporate Governance Committee;

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(f) Additional annual cash compensation of $10,000 to the Chairman of the Finance Committee (if appointed) of the Board of Directors of Flextronics for services rendered as Chairman of the Finance Committee and for his or her participation on the Finance Committee; and

(g) Additional annual cash compensation of $5,000 to each of Flextronics s non-employee Directors for their participation on each standing committee (other than the Audit Committee) of the Board of Directors on which such Director serves.

7. To pass the following resolution as an Ordinary Resolution:

RESOLVED THAT:

(a) for the purposes of Sections 76C and 76E of the Singapore Companies Act, Cap. 50, the exercise by Flextronics s Directors of all of Flextronics s powers to purchase or otherwise acquire issued ordinary shares in the capital of Flextronics, not exceeding in aggregate the number of issued ordinary shares representing 10% of the total number of issued ordinary shares in the capital of Flextronics as at the date of the passing of this resolution (excluding any ordinary shares which are held as treasury shares as at that date), at such price or prices as may be determined by Flextronics s Directors from time to time up to the maximum purchase price described in paragraph (c) below, whether by way of:

(i) market purchases on the NASDAQ Global Select Market or any other stock exchange on which Flextronics s ordinary shares may for the time being be listed and quoted; and/or

(ii) off-market purchases (if effected other than on the NASDAQ Global Select Market or, as the case may be, any other stock exchange on which Flextronics s ordinary shares may for the time being be listed and quoted) in accordance with any equal access scheme(s) as may be determined or formulated by Flextronics s Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Singapore Companies Act, Cap. 50,

and otherwise in accordance with all other laws and regulations and rules of the NASDAQ Global Select Market or, as the case may be, any other stock exchange on which Flextronics s ordinary shares may for the time being be listed and quoted as may for the time being be applicable, be and is hereby authorized and approved generally and unconditionally;

(b) unless varied or revoked by Flextronics s shareholders in a general meeting, the authority conferred on Flextronics s Directors pursuant to the mandate contained in paragraph (a) above may be exercised by Flextronics s Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earlier of:

(i) the date on which Flextronics s next Annual General Meeting is held; or

(ii) the date by which Flextronics s next Annual General Meeting is required by law to be held;

(c) the maximum purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which may be paid for an ordinary share purchased or acquired by Flextronics pursuant to the mandate contained in paragraph (a) above, shall not exceed:

(i) in the case of a market purchase of an ordinary share, the highest independent bid or the last independent transaction price, whichever is higher, of Flextronics s ordinary shares quoted or reported on the NASDAQ Global Select Market at the time the purchase is effected; and

(ii) in the case of an off-market purchase pursuant to an equal access scheme, 150% of the Prior Day Close Price, which means the closing price of Flextronics s ordinary shares as quoted on the NASDAQ Global Select Market or, as the case may be, any other stock exchange on which Flextronics s ordinary shares may for the time being be listed and quoted, on the day immediately preceding the date on which Flextronics announces its intention to make an offer for the purchase or acquisition of its ordinary shares from holders of its ordinary shares, stating therein the purchase price (which shall not be more than the maximum purchase price calculated on the foregoing basis) for each ordinary share and the relevant terms of the equal access scheme for effecting the off-market purchase; and

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(d) Flextronics s Directors and/or any of them be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorized by this resolution.

8. To pass the following resolution as an Ordinary Resolution:

RESOLVED THAT:

Approval be and is hereby given for the amendment to Flextronics s 2001 Equity Incentive Plan, which is referred to as the 2001 Plan, to increase the sub-limit on the maximum number of ordinary shares which may be issued as stock bonus awards under the 2001 Plan from 10,000,000 ordinary shares to 15,000,000 ordinary shares.

9. To pass the following resolution as an Ordinary Resolution:

RESOLVED THAT:

Approval be and is hereby given to amend the 2001 Plan to increase the maximum number of ordinary shares authorized for issuance under the 2001 Plan from 32,000,000 ordinary shares to 42,000,000 ordinary shares and that an additional 10,000,000 ordinary shares be reserved for issuance under the 2001 Plan, and that such ordinary shares, when issued and paid for in accordance with the terms of the 2001 Plan, shall be validly issued, fully-paid and non-assessable ordinary shares in Flextronics s capital.

10. To transact any other business as may properly be transacted at any Annual General Meeting.

Notes

At the 2007 annual general meeting, Flextronics s shareholders will have the opportunity to discuss and ask any questions that they may have regarding Flextronics s Singapore audited accounts for the fiscal year ended March 31, 2007, together with the reports of the directors and auditors thereon, in compliance with Singapore law. Shareholder approval of Flextronics s audited accounts is not being sought by this joint proxy statement/prospectus and will not be sought at the 2007 annual general meeting.

The board of directors has fixed the close of business on August 6, 2007 as the record date for determining those shareholders of Flextronics who will be entitled to receive copies of this notice and accompanying joint proxy statement/prospectus. However, all shareholders of record on September 27, 2007, the date of the 2007 annual general meeting, will be entitled to vote at the 2007 annual general meeting.

Representation of at least 331/3% of all outstanding ordinary shares of Flextronics is required to constitute a quorum. Accordingly, it is important that your shares be represented at the 2007 annual general meeting.

A shareholder entitled to attend and vote at the 2007 annual general meeting is entitled to appoint a proxy to attend and vote on his or her behalf. A proxy need not also be a shareholder. **Whether or not you plan to attend the meeting, please complete, date and sign the enclosed proxy card and return it in the enclosed envelope.** A proxy card must be received by Flextronics c/o Proxy Services, c/o Computershare Investor Services, PO Box 43101, Providence, RI 02940-5067 not less than 48 hours before the time appointed for holding the 2007 annual general meeting. You may revoke your proxy at any time prior to the time it is voted. Shareholders who are present at the meeting may revoke their proxies and vote in person or, if they prefer, may abstain from voting in person and allow their proxies to be voted.

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Only funds legally available for purchasing or acquiring Flextronics s issued ordinary shares in accordance with Flextronics s Articles of Association and the applicable laws of Singapore will be used for the purchase or acquisition by Flextronics of its own issued ordinary shares pursuant to the proposed renewal of the Share Purchase Mandate referred to in Proposal No. 7. Flextronics intends to use its internal sources of funds and/or borrowed funds to finance the purchase or acquisition of its issued ordinary shares. The amount of financing required for Flextronics to purchase or acquire its issued ordinary shares, and the impact on its financial position, cannot be ascertained as of the date of this notice, as these will depend on the number of ordinary shares purchased or acquired and the price at which such ordinary shares are purchased or acquired and whether the ordinary shares purchased or acquired are held in treasury or cancelled. Flextronics s net tangible assets and the consolidated net tangible assets of Flextronics and its subsidiaries will be reduced by the purchase price of any ordinary shares purchased or acquired and cancelled. Flextronics does not anticipate that the purchase or acquisition of its ordinary shares in accordance with the Share Purchase Mandate would have a material impact on its consolidated results of operations, financial condition and cash flows.

By Order of the Board of Directors,

Bernard Liew Jin Yang
Joint Secretary

Yap Lune Teng
Joint Secretary

August 7, 2007

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NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON SEPTEMBER 27, 2007

To the Stockholders of Solectron Corporation:

The board of directors of Solectron Corporation has called for a special meeting of Solectron stockholders to be held on September 27, 2007, at 8:00 a.m., California Time, at Solectron s principal executive offices at 847 Gibraltar Drive, Building 5, Milpitas, California 95035, for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of June 4, 2007, by and among Flextronics, Saturn Merger Corp. and Solectron.

2. To approve the adjournment of the special meeting, if necessary, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the adoption of the merger agreement.

3. To transact such other business as may properly be brought before the Solectron special meeting or any adjournments or postponements of the Solectron special meeting.

Only holders of record of Solectron common stock and the holder of the one issued and outstanding share of Series B Preferred Stock of Solectron at the close of business on August 6, 2007, the record date for the special meeting, are entitled to notice of, and to vote at, the Solectron special meeting or any adjournments or postponements of the special meeting.

We cannot complete the merger unless holders of a majority of the aggregate voting power of the outstanding shares of Solectron common stock and the outstanding share of Solectron Series B Preferred Stock, voting together as one class, vote in favor of the proposal to adopt the merger agreement and thus approve the merger. The proposal to adjourn the special meeting, if necessary, to solicit additional proxies requires the affirmative vote of a majority of the votes cast by Solectron stockholders present in person or represented by proxy at the special meeting. Each stockholder of Solectron is entitled to one vote for each share of common stock owned as of the record date. The holder of the outstanding share of Series B Preferred Stock is entitled to a number of votes with respect to the share of Series B Preferred Stock equal to the number of issued and outstanding exchangeable shares of Solectron Global Services Canada Inc. as of the record date for this meeting that are not owned by Solectron, any of its subsidiaries or other affiliates.

For more information about the proposal to adopt the merger agreement described above and the other transactions contemplated by the merger agreement, please review the accompanying joint proxy statement/prospectus and the merger agreement attached to it as Annex A-1.

The board of directors of Solectron unanimously recommends that Solectron stockholders vote FOR the proposal to adopt the merger agreement.

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Your vote is important. Whether or not you plan to attend the special meeting, please complete, sign and date the enclosed proxy card and return it promptly in the enclosed postage-paid envelope. You may also cast your vote by telephone or by using the Internet as described in the instructions included with your proxy card. **Your failure to vote will have the same effect as voting against the merger.**

By Order of the Board of Directors,

Todd DuChene
Executive Vice President,
General Counsel and Secretary

Milpitas, California
August 7, 2007

PLEASE VOTE YOUR SHARES PROMPTLY. YOU CAN FIND INSTRUCTIONS FOR VOTING ON THE ENCLOSED PROXY CARD. IF YOU HAVE QUESTIONS ABOUT THE PROPOSALS OR ABOUT VOTING YOUR SHARES, PLEASE CALL INNISFREE M&A INCORPORATED AT THE NUMBERS LOCATED ON THE BACK COVER OF THIS JOINT PROXY STATEMENT/PROSPECTUS.

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REFERENCES TO ADDITIONAL INFORMATION

Unless the context requires otherwise, when used in this joint proxy statement/prospectus, Flextronics refers to Flextronics International Ltd. and its subsidiaries, and Solectron refers to Solectron Corporation and its subsidiaries. In this joint proxy statement/prospectus, references to $ are to United States dollars and references to S$ are to Singapore dollars.

This joint proxy statement/prospectus incorporates important business and financial information about Flextronics and Solectron from documents that each company has filed with the Securities and Exchange Commission, which is referred to in this joint proxy statement/prospectus as the SEC, under the Securities and Exchange Act of 1934, as amended, or the Exchange Act. For a list of documents incorporated by reference into this joint proxy statement/prospectus, please see the section entitled Where You Can Find More Information beginning on page 183 of this joint proxy statement/prospectus.

The information incorporated by reference into this joint proxy statement/prospectus, which has not been included in or delivered with this joint proxy statement/prospectus, is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus by accessing the SEC s website maintained at *www.sec.gov*. Additionally, Flextronics will provide you with copies of this information relating to Flextronics (excluding all exhibits, unless specifically incorporated by reference in this joint proxy statement/prospectus) and Solectron will provide you with copies of this information relating to Solectron (excluding all exhibits, unless specifically incorporated by reference in this joint proxy statement/prospectus), in each case, without charge, upon written or oral request to:

Flextronics International Ltd.
2090 Fortune Drive
San Jose, California 95131
Attention: Investor Relations
Telephone: (408) 576-7722

Solectron Corporation
847 Gibraltar Drive
Milpitas, California 95035
Attention: Investor Relations
Telephone: (408) 956-6542

In order to receive the documents before the special meeting of Solectron stockholders or the annual general meeting of Flextronics shareholders, Flextronics or Solectron should receive your requests no later than September 20, 2007.

Flextronics s website, which is located at *www.flextronics.com*, contains additional information about Flextronics and provides access to Flextronics s filings with the SEC. Solectron s website, which is located at *www.solectron.com*, contains additional information about Solectron and provides access to Solectron s filings with the SEC. Information contained on Flextronics s website and Solectron s website is not incorporated by reference in, and should not be considered a part of, this joint proxy statement/prospectus.

Flextronics and Solectron have both contributed to the information contained in this joint proxy statement/prospectus relating to the merger. Any information contained in or incorporated by reference in this joint proxy statement/prospectus relating to Flextronics has been supplied by Flextronics, and any information contained in or incorporated by reference in this joint proxy statement/prospectus relating to Solectron has been supplied by Solectron.

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ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the SEC by Flextronics, constitutes the following:

a prospectus of Flextronics under Section 5 of the Securities Act of 1933, as amended, or the Securities Act, with respect to the Flextronics ordinary shares to be issued to the holders of Solectron common stock in the merger;

a proxy statement of Flextronics under Section 14(a) of the Exchange Act relating to the 2007 annual general meeting of Flextronics shareholders, at which Flextronics shareholders will, among other things, consider and vote upon the issuance of Flextronics ordinary shares pursuant to the merger agreement; and

a proxy statement of Solectron under Section 14(a) of the Exchange Act relating to the special meeting of Solectron stockholders at which Solectron stockholders will consider and vote upon the adoption of the merger agreement.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

General Questions and Answers

Q: Why am I receiving this joint proxy statement/prospectus?

A: Flextronics and Solectron have agreed to combine their businesses under the terms of an Agreement and Plan of Merger, dated June 4, 2007, by and among Flextronics, Saturn Merger Corp. and Solectron, which we refer to in this joint proxy statement/prospectus as the merger agreement. A copy of the merger agreement is attached to this joint proxy statement/prospectus as Annex A-1. Upon completion of the merger provided for under the merger agreement, Solectron will become a wholly-owned subsidiary of Flextronics and, depending on the cash and stock elections made by Solectron stockholders, former Solectron stockholders are expected to own between 21% to 27% of the outstanding shares of the combined company (based on the number of Flextronics ordinary shares and Solectron common shares outstanding as of August 6, 2007). Unless we expressly specify otherwise, all references to the outstanding shares of Solectron common stock in this joint proxy statement/prospectus include: (i) all outstanding Solectron restricted shares, and (ii) the Solectron common stock for which outstanding exchangeable shares of Solectron Global Services Canada Inc. will be exchanged in connection with the merger, as described in Annex F Treatment of Solectron Series B Preferred Stock and Solectron Global Services Canada Inc. Exchangeable Shares.

In order to complete the merger, Flextronics shareholders must approve the issuance of Flextronics ordinary shares in connection with the merger at the 2007 Flextronics annual general meeting and Solectron stockholders must adopt the merger agreement at a special meeting of its stockholders held for this purpose. Flextronics will also ask its shareholders to approve other matters in connection with its annual general meeting that are described in this joint proxy statement/prospectus. You should carefully read this joint proxy statement/prospectus, as it contains important information about the merger, the Flextronics annual general meeting and the Solectron special meeting. For Flextronics shareholders, the enclosed voting materials for the Flextronics annual general meeting allow Flextronics shareholders to vote Flextronics ordinary shares without attending the Flextronics annual general meeting. For Solectron stockholders, the enclosed voting materials for the Solectron special meeting allow Solectron stockholders to vote shares of Solectron common stock without attending the Solectron special meeting.

Q: What will happen upon effectiveness of the merger?

A: The merger is structured as an integrated two-step transaction. In the first step, Saturn Merger Corp., a wholly-owned subsidiary of Flextronics, will merge with and into Solectron, with Solectron continuing as the surviving corporation and a wholly-owned subsidiary of Flextronics. In the second step, which will occur immediately following the first step and as part of a single integrated plan, Solectron, as the surviving corporation of the first merger, will merge with and into Saturn Merger II Corp., a second wholly-owned subsidiary of Flextronics, with Saturn Merger II Corp. continuing as the surviving corporation and as a wholly-owned subsidiary of Flextronics.

If, however, Flextronics or Solectron is unable to obtain an opinion of counsel to the effect that, for U.S. federal income tax purposes, the two-step merger will qualify generally as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, referred to in this joint proxy statement/prospectus as the Code, the merger may be structured as a single step merger of Saturn Merger Corp. with and into Solectron, with Solectron continuing as the surviving corporation and a wholly-owned subsidiary of

Flextronics. For more information, see the sections entitled The Merger Agreement The Merger beginning on page 85 of this joint proxy statement/prospectus and The Merger Material U.S. Federal Income Tax Consequences of the Merger beginning on page 75 of this joint proxy statement/prospectus.

Unless we expressly specify otherwise, when we refer to the merger in this joint proxy statement/prospectus, we mean both steps of the two-step merger (or if the merger is effected as a single step merger of Saturn Merger Corp. into Solectron, that single step merger), and when we refer to the surviving corporation we mean

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Saturn Merger II Corp. as the surviving corporation of the two-step merger (or Solectron, if the merger is effected as a single step merger of Saturn Merger Corp. with and into Solectron).

Q: Have the executive officers and directors of Flextronics and Solectron agreed to vote their shares in favor of the merger-related proposals?

A: Yes, the directors and certain executive officers of Flextronics have agreed to vote their Flextronics ordinary shares at the Flextronics annual general meeting in favor of the proposal to authorize the issuance of Flextronics ordinary shares in the merger and the directors and executive officers of Solectron have agreed to vote their Solectron shares at the Solectron special meeting in favor of the proposal to adopt the merger agreement. For more information, see the section entitled The Voting Agreements beginning on page 109 of this joint proxy statement/prospectus.

Q: Are there risks I should consider in deciding whether to vote for the merger?

A: Yes. For example, the combined company might not realize the expected benefits of the merger. In evaluating the merger, you should carefully consider the factors discussed in the section entitled Risk Factors beginning on page 26 of this joint proxy statement/prospectus.

Q: When do Flextronics and Solectron expect to complete the merger?

A: If the stockholders of Solectron adopt the merger agreement and the shareholders of Flextronics approve the issuance of Flextronics ordinary shares in connection with the merger, the merger is expected to be completed following the satisfaction of the other conditions to the merger, including the receipt of all governmental and regulatory consents and termination or expiration of any related waiting period. There may be a substantial period of time between the approval of the proposals at the respective meetings of Flextronics shareholders and Solectron stockholders and the effective date of the merger. The merger is currently expected to be completed by the end of calendar year 2007.

Questions and Answers for Flextronics Shareholders

Q: What will Flextronics shareholders receive in the merger?

A: Flextronics shareholders will not receive any new Flextronics ordinary shares as a result of the merger. Flextronics shareholders will continue to own the Flextronics ordinary shares they owned before the merger, which will represent stock ownership in the combined company after the merger.

Q: What matters related to the merger will Flextronics shareholders vote on at the 2007 annual general meeting?

A: Flextronics shareholders will vote on a proposal to approve the issuance of Flextronics ordinary shares in connection with the merger. Flextronics will also ask its shareholders to approve other matters in connection with its annual general meeting that are described in this joint proxy statement/prospectus. See the section entitled Other Flextronics Proposals beginning on page 133 of this joint proxy statement/prospectus.

Q: How does the Flextronics board of directors recommend that Flextronics shareholders vote?

A: The Flextronics board of directors unanimously recommends that Flextronics shareholders vote FOR the proposal to approve the issuance of Flextronics ordinary shares in connection with the merger. For a description of factors

considered by the Flextronics board of directors in making its recommendation, see the section entitled The Merger Flextronics s Reasons for the Merger and Board Recommendation beginning on page 49 of this joint proxy statement/prospectus.

The Flextronics board of directors also recommends that Flextronics shareholders vote FOR the other proposals being considered at the Flextronics annual general meeting. For more information on those proposals, see the section entitled Other Flextronics Proposals beginning on page 133 of this joint proxy statement/prospectus.

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Q: When and where is the Flextronics annual general meeting of shareholders?

A: The annual general meeting of Flextronics shareholders will be held at 10:00 a.m., California Time, on September 27, 2007, at Flextronics s principal U.S. offices located at 2090 Fortune Drive, San Jose, California.

Q: Who is entitled to vote at the Flextronics annual general meeting?

A: The Flextronics Board of Directors has fixed the close of business on August 6, 2007 as the record date for determining those shareholders of Flextronics who will be entitled to receive notice of the annual general meeting and this joint proxy statement/prospectus. However, each shareholder of record on September 27, 2007, the date of the annual general meeting, will be entitled to attend and vote at the annual general meeting and will, on a poll, have one vote for each ordinary share held on the matters to be voted upon. As of August 6, 2007, Flextronics had 609,297,816 ordinary shares issued and outstanding.

Q: How can I vote at the Flextronics annual general meeting?

A: Each shareholder of record on the date of the annual general meeting may vote in person by attending the meeting, by completing and returning a proxy card or, if you hold your ordinary shares in street name, by instructing your broker how to vote.

Any Flextronics shareholder that is entitled to attend and vote at the Flextronics annual general meeting may also appoint a proxy to attend and vote on his or her behalf. A proxy need not also be a shareholder. The enclosed proxy card must be completed, dated and signed and returned in the enclosed envelope for receipt by Flextronics c/o Computershare Investor Services, PO Box 43101, Providence, RI 02940-5067, not less than 48 hours before the time appointed for holding the 2007 annual general meeting. Ordinary shares represented by proxies in the accompanying form which are properly executed and timely returned to Flextronics will be voted at the annual general meeting in accordance with the shareholders instructions. If a properly executed proxy card does not indicate how the Flextronics ordinary shares represented by the proxy should be voted, the ordinary shares will be voted in the manner recommended by the Flextronics board of directors and therefore FOR the issuance of shares in connection with the merger.

Q: As a Flextronics shareholder, can I change my vote after I have delivered my proxy?

A: Yes, a proxy may be revoked prior to the time it is voted by timely delivery of a properly executed, later-dated proxy or by voting in person.

Q: What is the vote of Flextronics shareholders required to approve the issuance of Flextronics ordinary shares in connection with the merger?

A: The affirmative vote of a majority of all issued and outstanding shares voting in person or by proxy at the 2007 annual general meeting is required to approve the issuance of Flextronics ordinary shares in connection with the merger.

Q: Who can answer my questions?

A: Flextronics shareholders with questions about the merger, the matters to be voted on at the Flextronics annual general meeting or who desire additional copies of this joint proxy statement/prospectus or additional proxy cards should contact:

Georgeson Inc.
17 State Street 10th Floor
New York, NY 10004
Banks and Brokers call: (212) 440-9800
All others call: (888) 605-7554

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Questions and Answers for Solectron Stockholders

Q: What will Solectron stockholders receive in the merger?

A: Solectron stockholders will have the right to elect to receive upon completion of the merger, for each share of Solectron common stock they hold, either 0.3450 of a Flextronics ordinary share or a cash payment of $3.89, without interest. However, under the terms of the merger agreement, Flextronics and Solectron have agreed that, regardless of the elections made by Solectron stockholders, no more than 70% of Solectron s shares of common stock outstanding immediately prior to the closing of the merger can be converted into Flextronics ordinary shares, and no more than 50% of Solectron s shares of common stock outstanding immediately prior to the closing of the merger can be converted into cash. Therefore, the cash and stock elections made by Solectron stockholders will be subject to proration based on these limits. As a result, Solectron stockholders that have elected to receive either cash or Flextronics ordinary shares could in certain circumstances receive a combination of both cash and Flextronics ordinary shares. Solectron stockholders that fail to make an election will receive either cash, Flextronics ordinary shares or a combination of the two, depending on the results of the elections made by electing Solectron stockholders and the limits on the aggregate number of Solectron shares that can be converted to stock consideration and cash consideration in the merger. The consideration payable to Solectron stockholders in connection with the merger, and the related election and proration procedures, are described in more detail in the section entitled The Merger Agreement Merger Consideration beginning on page 86 of this joint proxy statement/prospectus.

Based on the number of Flextronics ordinary shares and shares of Solectron common stock outstanding on August 6, 2007 (including the outstanding exchangeable shares), Solectron s former stockholders are expected to hold approximately 21% to 27% of Flextronics s outstanding ordinary shares following the completion of the merger. Flextronics s shareholders will continue to own their Flextronics ordinary shares, which will represent share ownership in the combined company after the merger.

The fraction of a Flextronics ordinary share to be issued for each share of Solectron common stock is fixed and will not be adjusted based upon changes in the values of Flextronics ordinary shares or Solectron common stock. As a result, the value of the shares Solectron stockholders will receive in the merger will not be known before the effectiveness of the merger and will fluctuate as the market price of Flextronics ordinary shares fluctuates.

Q: Will holders of exchangeable shares of Solectron Global Services Canada Inc., a wholly-owned indirect subsidiary of Solectron, participate in the merger?

A: Solectron has agreed to take all action necessary such that each exchangeable share of Solectron Global Services Canada Inc., referred to in this joint proxy statement/prospectus as the exchangeable shares, will, prior to the closing of the merger, be exchanged for one share of Solectron common stock. In advance of this exchange of exchangeable shares for Solectron common stock, holders of the exchangeable shares will receive election forms at the same time that holders of Solectron common stock receive their election forms. Holders of exchangeable shares will, therefore, be entitled to make the same elections (as if such holders beneficially owned shares of Solectron common stock at the time of election, notwithstanding that the exchange will not occur until after such election is made) for cash or stock consideration as holders of Solectron common stock and will receive cash or stock consideration in the same manner and under the same circumstances as holders of Solectron common stock, as further described below.

For more information about the treatment of the exchangeable shares, see Annex F Treatment of Solectron Series B Preferred Stock and Solectron Global Services Canada Inc. Exchangeable Shares.

Q: How and when can Solectron stockholders make elections for cash consideration or stock consideration?

A: Concurrently with the mailing of this joint proxy statement/prospectus to Solectron stockholders, a form of election is being separately mailed to Solectron stockholders that will permit them to make an election for cash or stock consideration. To be effective, the form of election must be properly completed and signed and received by the exchange agent no later than 5:00 p.m., New York City Time, on the later of (i) the date of the Solectron stockholders meeting and (ii) a date mutually agreed to by Flextronics and Solectron that is as near as practicable to 10 business days prior to the expected closing date of the merger agreement (which is referred to in this joint proxy statement/prospectus as the election deadline). Flextronics and Solectron will issue a press release announcing the date of the election deadline not more than 15, but at least 10, business days prior to the election deadline. If a properly completed and signed form of election with respect to shares of

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Solectron common stock is not received by the exchange agent by the election deadline, then the holder of those shares of Solectron common stock will be deemed not to have made an election and will be treated as a non-electing Solectron stockholder, as described below. Solectron stockholders that hold their shares in street name will receive directions from their brokers regarding how to make elections. Brokers will only make elections with respect to shares for which they have received proper election instructions in accordance with their directions. The beneficial owners of all other shares held in street name will be treated as non-electing Solectron stockholders, as described below.

Q: Will Solectron stockholders receive the specific amount of cash or stock consideration that they elect to receive?

A: Not necessarily. Elections for cash consideration and stock consideration will be subject to the proration procedures set forth in the merger agreement. See the section entitled The Merger Agreement Merger Consideration beginning on page 86 of this joint proxy statement/prospectus.

Q: What happens if I do not make an election to receive cash consideration or stock consideration?

A: If you do not make an election, you will have no control over the type of consideration you receive and may receive only cash, only Flextronics ordinary shares, or a combination of cash and Flextronics ordinary shares. The type of consideration you receive will depend on the outcome of the elections that the other Solectron stockholders make. If holders of more than 70% of the shares of Solectron common stock outstanding immediately prior to completion of the merger have elected to receive Flextronics ordinary shares, then all non-electing Solectron stockholders will receive cash for their Solectron shares. If holders of more than 50% of the shares of Solectron common stock outstanding immediately prior to completion of the merger have elected to receive cash, then all non-electing Solectron stockholders will receive Flextronics ordinary shares for their Solectron shares.

If holders of fewer than 70% of the shares of Solectron common stock outstanding immediately prior to completion of the merger have elected to receive Flextronics ordinary shares, and holders of fewer than 50% of the shares of Solectron common stock outstanding immediately prior to completion of the merger have elected to receive cash, then non-electing Solectron stockholders will receive cash consideration for their Solectron shares until the aggregate number of Solectron shares being exchanged for cash consideration equals 50% of the shares of Solectron common stock outstanding immediately prior to completion of the merger, and thereafter, non-electing stockholders will receive Flextronics ordinary shares for their remaining shares of Solectron common stock.

Q: Can Solectron stockholders change or revoke their elections for cash consideration and/or stock consideration?

A: Yes. Any electing Solectron stockholder (including holders of exchangeable shares) may revoke a previously submitted form of election by submitting written notice of revocation that is received by the exchange agent prior to the election deadline, at the following addresses:

By Mail:
Solectron Merger
c/o Computershare Shareholder Services, Inc.
Attn: Corporate Actions
P.O. Box 859208

By Overnight Courier:
Solectron Merger
c/o Computershare Shareholder Services, Inc.
Attn: Corporate Actions
161 Bay State Drive

Braintree, MA 02185-9208 Braintree, MA 02184

The written notice of revocation must specify the account name and such other information as the exchange agent may request in the election form. Revocations may not be in part. Upon revoking your previous election, you may submit another election in accordance with the election procedures described in this joint proxy statement/prospectus.

If your Solectron shares are held in street name, you should follow any instructions for revoking or changing your election provided by your broker.

Q: **Can I transfer my shares of Solectron common stock or exchangeable shares after I have made an election?**

A: Yes. You will be able to transfer your shares of Solectron common stock or exchangeable shares after you have made an election. However, you will have to revoke your election before the transfer. Your revocation must be received by Computershare prior to the transfer and election deadline and must otherwise comply with the requirements for a valid voluntary revocation. You may submit a new election for shares that you do not

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transfer. The new election must be received by Computershare prior to the election deadline and must otherwise comply with the requirements for a valid election. Because you can revoke your election only prior to the election deadline, after the election deadline and prior to the effective time of the merger you will not be able to sell or otherwise transfer shares for which an election is effective as of the election deadline. If your Solectron shares or exchangeable shares are held in street name, you should contact your broker and follow their instructions to transfer them.

Q: **What if I have Solectron stock options?**

A: Each outstanding option to purchase shares of Solectron common stock with an exercise price equal to or less than $5.00 per share, whether or not exercisable, will be assumed by Flextronics and converted into an option to purchase Flextronics ordinary shares, on the same terms and conditions as were applicable to such Solectron stock option prior to the effective time of the merger, except that the number of shares for which such option is or may become exercisable and the exercise price of the option will be adjusted to reflect the exchange ratio. All other outstanding options to purchase shares of Solectron common stock will accelerate and become immediately exercisable for a period of at least 30 days prior to the effective time, in accordance with the applicable Solectron stock option plan pursuant to which such options were granted, but subject to and conditioned on completion of the merger, and will terminate as of the effective time to the extent not exercised prior thereto, as further described under the section entitled The Merger Agreement Treatment of Solectron Equity Plans on page 100 of this joint proxy statement/prospectus.

Q: What if I have Solectron restricted stock?

A: Holders of shares of Solectron common stock that are unvested or subject to a repurchase option, risk of forfeiture or other similar condition under a restricted stock purchase agreement or other similar arrangement will have the same right to elect to receive cash or Flextronics ordinary shares as other Solectron stockholders. As a result, such shares of Solectron restricted stock will be converted into the right to receive Flextronics ordinary shares (adjusted to reflect the exchange ratio) or cash (in an amount equal to $3.89 per share of Solectron restricted stock), as applicable, which ordinary shares or cash will be subject to the same vesting requirements or other terms and conditions that were applicable to the Solectron restricted stock prior to the effective time of the merger.

Q: What are the material U.S. federal income tax consequences of the merger to Solectron stockholders?

A: Flextronics and Solectron intend that the merger will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code. If the merger qualifies as such, the U.S. federal income tax consequences of the merger to each Solectron stockholder will vary depending on whether that stockholder receives Flextronics ordinary shares, cash, or a combination of cash and Flextronics ordinary shares in exchange for that stockholder s Solectron common stock.

If you are a Solectron stockholder receiving only Flextronics ordinary shares in exchange for your Solectron common stock, you generally will not recognize gain or loss on the Solectron common stock that you surrender pursuant to the merger. If you are a Solectron stockholder receiving only cash in exchange for your Solectron common stock, you generally will recognize gain or loss equal to the difference between the amount of cash you receive and your tax basis in the Solectron common stock surrendered. If you are a Solectron stockholder receiving a combination of cash and Flextronics ordinary shares in exchange for your Solectron common stock, you generally will recognize gain (but will not be permitted to recognize loss) for U.S. federal income tax purposes equal to the lesser of (i) the amount of cash that you receive and (ii) the amount of gain that you realize.

In certain circumstances, the transaction will not qualify as a tax-free reorganization under Section 368(a) of the Code. In that event, you generally would recognize gain or loss on the shares of Solectron common stock surrendered in the transaction in the amount of the difference between your basis in such shares and the sum of the amount of cash and the fair market value of the Flextronics ordinary shares you receive in exchange for the shares of Solectron common stock.

You should read the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger beginning on page 75 of this joint proxy statement/prospectus. In addition, you are urged to consult your own tax advisors as to the U.S. federal income tax consequences of the merger, as well as the effect of state, local and non-U.S. tax laws.

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Q: Are Solectron stockholders entitled to appraisal rights?

A: Yes, subject to and in accordance with applicable Delaware law, holders of Solectron common stock will be entitled to appraisal rights if they comply with the applicable provisions of Delaware law.

In addition, the holder of the one outstanding share of Solectron s Series B Preferred Stock may have appraisal rights under certain circumstances. For more information, see the section entitled The Merger Appraisal Rights beginning on page 81 of this joint proxy statement/prospectus and Annex G Delaware Appraisal Statute.

Q: What matters will Solectron stockholders vote on at the special meeting?

A: Solectron stockholders will vote on the proposal to adopt the merger agreement and to approve the adjournment of the special meeting, if necessary, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the adoption of the merger agreement.

Q: How does the Solectron board of directors recommend that Solectron stockholders vote?

A: The Solectron board of directors, by the unanimous vote of the directors present, has determined that the merger agreement and the transactions contemplated by the merger agreement are advisable and fair to and in the best interests of the Solectron stockholders and recommends that Solectron stockholders vote FOR the proposal to adopt the merger agreement and to adjourn the meeting, if necessary, to solicit additional proxies. For a more complete description of the recommendation of the Solectron board of directors, see the section entitled The Merger Solectron s Reasons for the Merger and Board Recommendation beginning on page 56 of this joint proxy statement/prospectus.

Q: When and where will the Solectron special meeting be held?

A: The special meeting is scheduled to be held at Solectron s headquarters at 847 Gibraltar Drive, Building 5, Milpitas, California 95035, on September 27, 2007, at 8:00 a.m., California Time.

Q: What vote is needed to adopt the merger agreement and the proposal to adjourn at the special meeting?

A: The proposal to adopt the merger agreement requires the affirmative vote of the holders of at least a majority of the aggregate voting power represented by the Solectron common stock and the one share of Series B Preferred Stock outstanding on the record date, voting together as a single class. The proposal to adjourn the special meeting, if necessary, to solicit additional proxies requires the affirmative vote of a majority of the votes cast by Solectron stockholders present in person or represented by proxy at the special meeting.

Each stockholder of Solectron common stock is entitled to one vote for each share of common stock owned as of the record date, and Computershare Trust Company of Canada, the holder of Solectron s one share of Series B Preferred Stock, is entitled to one vote for each exchangeable share of Solectron Global Services Canada Inc., an indirect subsidiary of Solectron, outstanding as of the record date (other than exchangeable shares owned by Solectron, its subsidiaries and other affiliates).

Q: How do Solectron stockholders vote?

A: If you were a Solectron stockholder on the record date for the Solectron special meeting, you may vote at the meeting. Most stockholders can vote over the Internet or by telephone. If Internet and telephone voting are

available to you, you can find voting instructions in the materials accompanying this joint proxy statement/prospectus. You can also vote by completing and returning a proxy card or, if you hold your shares in street name, a voting instruction card provided by your broker or nominee.

The Internet and telephone voting facilities will close at 11:59 p.m., New York City Time, on September 26, 2007. Please be aware that Solectron stockholders who vote over the Internet may incur costs such as telephone and Internet access charges for which they will be responsible.

The method by which Solectron stockholders vote will in no way limit their right to vote at the meeting if such stockholders later decide to attend in person. If shares are held in street name, Solectron stockholders must obtain a proxy, executed in their favor, from a broker or other holder of record, to be able to vote at the meeting.

If Solectron shares are held through a broker or nominee, those shares may be voted even if the Solectron stockholder does not vote or attend the special meeting, if the beneficial owner provides the broker or nominee with voting instructions using the voting instruction card provided by your broker or nominee. Under the rules of the New York Stock Exchange, member brokers who do not receive instructions from beneficial owners

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will not be allowed to vote those shares at this special meeting. Therefore, broker non-votes, if any, will have the same effect as votes cast against the proposal to adopt the merger agreement.

All shares entitled to vote and represented by properly completed proxies received prior to the Solectron special meeting and not revoked will be voted at the meeting in accordance with stockholder instructions. If a signed proxy card is returned without indicating how shares should be voted on a matter and the proxy is not revoked, the shares represented by the proxy will be voted as the Solectron board of directors recommends and therefore FOR the adoption of the merger agreement.

If you hold exchangeable shares, see Annex F Treatment of Solectron Series B Preferred Stock and Solectron Global Services Canada Inc. Exchangeable Shares, for information on the procedures for voting your exchangeable shares through Computershare Trust Company of Canada.

Q: As a Solectron stockholder, can I change my vote after I have delivered my proxy?

A: Yes. Solectron stockholders may revoke a proxy (including an Internet or telephone vote) at any time before it is exercised by timely delivery of a properly executed, later-dated proxy, or by voting in person at the meeting.

Q: What will happen if Solectron stockholders abstain from voting or do not vote?

A: If a Solectron stockholder abstains from voting or does not vote, it will have the same effect as a vote against the proposal to adopt the merger agreement. If a Solectron stockholder returns a proxy and does not indicate how it should be voted, all shares represented by such proxy will be voted in favor of the proposal to adopt the merger agreement.

Q: Should Solectron stock certificates be sent in now?

A: No. If the merger is completed, Solectron stockholders will receive written instructions for sending in any stock certificates they may have.

Q: What do Solectron stockholders need to do now?

A: Carefully read and consider the information contained in and incorporated by reference in this joint proxy statement/prospectus, including its annexes. In order for shares to be represented at the Solectron special meeting, Solectron stockholders can (1) vote over the Internet or by telephone by following the instructions included on the proxy card, (2) indicate on the enclosed proxy card how they would like to vote and return the proxy card in the accompanying pre-addressed postage paid envelope, or (3) attend the Solectron special meeting in person. Also, you should send in your completed and signed election form, as described above.

Q: Who can answer my questions?

A: Solectron stockholders with questions about the merger or the Solectron special meeting or who desire additional copies of this joint proxy statement/prospectus or additional proxy cards should contact:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
Toll Free from within the United States and Canada: 877-825-8971
Banks and Brokers call collect: 212-750-5833

Holders of exchangeable shares with questions about the merger or the Solectron special meeting or who desire additional copies of this joint proxy statement/prospectus or additional exchangeable share voting information forms or election forms should contact:

Cristian Couchot
Corporate Trust Officer
Computershare Trust Company of Canada
710, 530-8th Ave SW
Calgary, Alberta T2P 3S8
Telephone: 403-267-6510
Fax: 403-267-6598

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SUMMARY

The following is a summary of the information related to the merger contained in this joint proxy statement/prospectus. This summary may not contain all of the information about the merger that is important to you. For a more complete description of the merger, Flextronics and Solectron encourage you to carefully read this entire joint proxy statement/prospectus, including the attached annexes. In addition, Flextronics and Solectron encourage you to read the information incorporated by reference into this joint proxy statement/prospectus, which includes important business and financial information about Flextronics and Solectron. You may obtain the information incorporated by reference into this joint proxy statement/prospectus without charge by following the instructions in the section entitled Where You Can Find More Information beginning on page 183 of this joint proxy statement/prospectus.

The Merger and the Merger Agreement (see pages 44 and 85)

Flextronics has agreed to acquire Solectron pursuant to the terms of a merger agreement that is described in this joint proxy statement/prospectus. Under the merger agreement, the merger will be structured as an integrated two-step transaction. In the first step, a wholly-owned subsidiary of Flextronics will merge with and into Solectron, with Solectron continuing as the surviving corporation and becoming a wholly-owned subsidiary of Flextronics. In the second step, which will occur immediately following the first step, Solectron, as the surviving corporation of the first merger, will merge with and into a second wholly-owned subsidiary of Flextronics, with this second subsidiary continuing as the surviving corporation and as a wholly-owned subsidiary of Flextronics. If, however, Flextronics or Solectron is unable to obtain an opinion of counsel to the effect that, for U.S. federal income tax purposes, the two-step merger will qualify generally as a reorganization within the meaning of Section 368(a) of the Code, the merger may be structured as a single merger of a wholly-owned subsidiary of Flextronics merging with and into Solectron, with Solectron continuing as the surviving corporation and becoming a wholly-owned subsidiary of Flextronics.

Upon completion of the merger, each share of Solectron common stock will be converted into the right to receive 0.3450 of an ordinary share of Flextronics or $3.89 in cash, without interest, as merger consideration. Solectron s stockholders will be able to elect to receive Flextronics ordinary shares or cash consideration. Each Solectron stockholder will be able to elect only one type of consideration for all of the Solectron common stock it owns. Under the merger agreement, however, at least 50%, but no more than 70%, of the shares of Solectron common stock outstanding immediately prior to completion of the merger will be converted into the right to receive Flextronics ordinary shares, and at least 30% but no more than 50%, of the shares of Solectron common stock outstanding immediately prior to completion of the merger will be converted into the right to receive cash. Therefore, the cash and stock elections made by Solectron stockholders will be subject to proration based on these limits. As a result, Solectron stockholders that have elected to receive either cash or Flextronics ordinary shares could in certain circumstances receive a combination of both cash and Flextronics ordinary shares. Solectron stockholders that fail to make an election will receive cash, Flextronics ordinary shares or a combination of the two, depending on the results of the elections made by electing Solectron stockholders and the limits on the aggregate number of Solectron shares that can be converted to stock consideration and cash consideration in the merger.

A copy of the merger agreement is attached as Annex A-1 to this joint proxy statement/prospectus, and Flextronics and Solectron encourage you to read the merger agreement in its entirety.

Election of Merger Consideration (page 88 and Annex F)

Concurrently with the mailing of this joint proxy statement/prospectus, the exchange agent will mail an election form to Solectron stockholders which is to be used to elect the form of merger consideration they wish to receive. The exchange agent will also make available election forms to holders of Solectron common stock who request such forms before the election deadline described below. To make an election, a holder of Solectron common stock must submit a properly completed election form to the exchange agent by the election deadline. The deadline for Solectron stockholders to submit their election forms will be 5:00 p.m., New York City Time, on the later of (i) the date of the Solectron stockholders meeting and (ii) a date mutually agreed to by Flextronics and Solectron that is as near as practicable to 10 business days prior to the expected closing date of the merger agreement. Flextronics and Solectron will issue a press release announcing the date of the election deadline not more than 15, but at least 10, business days prior to the election deadline.

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The election form will also be mailed to holders of exchangeable shares that are entitled to direct votes attaching to the one share of Series B Preferred Stock of Solectron. Holders of exchangeable shares must observe the same procedures, restrictions and requirements as holders of Solectron common stock in order for their election to be timely and properly made.

Solectron stockholders (including holders of exchangeable shares) may revoke a previously submitted form of election by submitting written notice of revocation that is received by the exchange agent prior to the election deadline, at the following addresses:

By Mail:	By Overnight Courier:
Solectron Merger	Solectron Merger
c/o Computershare Shareholder Services, Inc.	c/o Computershare Shareholder Services, Inc.
Attn: Corporate Actions	Attn: Corporate Actions
P.O. Box 859208	161 Bay State Drive
Braintree, MA 02185-9208	Braintree, MA 02184

The written notice of revocation must specify the account name and such other information as the exchange agent may request in the election form. Revocations may not be in part. Upon revoking a prior election, Solectron stockholders may submit another election in accordance with the election procedures described in this joint proxy statement/prospectus.

Any stockholder holding Solectron shares in street name should follow any instructions for revoking or changing their election provided by their broker.

Risk Factors (see page 26)

The Risk Factors section beginning on page 26 of this joint proxy statement/prospectus should be considered carefully by Flextronics shareholders and Solectron stockholders in evaluating whether to approve the respective proposals of Flextronics and Solectron. These risk factors should be considered together with the risk factors that are contained in the reports of Flextronics and Solectron filed with the SEC, and any other information included in or incorporated by reference into this joint proxy statement/prospectus.

The Flextronics Annual General Meeting (see page 37)

Flextronics will hold its annual general meeting of shareholders on September 27, 2007, at 10:00 a.m., California Time, at Flextronics s principal U.S. offices, 2090 Fortune Drive, San Jose, California, 95131, at which Flextronics shareholders will be asked to consider and vote upon the following matters:

To authorize the directors of Flextronics International Ltd., which is referred to in this notice as Flextronics, to allot and issue ordinary shares pursuant to the Agreement and Plan of Merger, dated as of June 4, 2007, entered into among Flextronics, Saturn Merger Corp., a wholly-owned subsidiary of Flextronics, and Solectron Corporation (*Proposal 1*);

To re-elect the following directors: James A. Davidson and Lip-Bu Tan (*Proposal 2*);

To re-appoint Mr. Rockwell A. Schnabel as a director of Flextronics (*Proposal 3*);

To approve the re-appointment of Deloitte & Touche LLP as Flextronics s independent registered public accounting firm for the 2008 fiscal year (*Proposal 4*);

To approve a general authorization for the directors of Flextronics to allot and issue ordinary shares (*Proposal 5*);

To approve the cash compensation payable to Flextronics s non-employee directors (*Proposal 6*);

To approve the renewal of the Share Purchase Mandate relating to acquisitions by Flextronics of its own issued ordinary shares (*Proposal 7*); and

To approve amendments to Flextronics s 2001 Equity Incentive Plan relating to: (a) a 5,000,000-share increase in the sub-limit on the maximum number of ordinary shares which may be issued as stock bonus awards and (b) a 10,000,000-share increase in the share reserve (*Proposals 8 and 9*).

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The close of business on August 6, 2007 is the record date for shareholders entitled to notice of the 2007 annual general meeting of Flextronics. All of the ordinary shares issued on September 27, 2007 are entitled to be voted at the 2007 annual general meeting, and shareholders of record on September 27, 2007 and entitled to vote at the meeting will, on a poll, have one vote for each ordinary share so held on the matters to be voted upon. As of August 6, 2007, Flextronics had 609,297,816 ordinary shares issued and outstanding. Flextronics shareholders are entitled to cast one vote per Flextronics ordinary share owned as of the date of the Flextronics annual general meeting. Eleven directors and executive officers of Flextronics, who together beneficially own approximately 3.70% of Flextronics ordinary shares outstanding as of the record date, have agreed to vote in favor of Proposal No. 1.

Approval of the proposal to authorize the issuance of Flextronics ordinary shares pursuant to the merger agreement is a condition to completion of the merger. Adoption of the other proposals at the Flextronics annual general meeting is not a condition to completion of the merger.

The Special Meeting of Solectron Stockholders (see page 40)

Solectron will hold a special meeting of its stockholders on September 27, 2007, at 8:00 a.m., California Time, at Solectron s principal executive offices, 847 Gibraltar Drive, Building 5, Milpitas, California 95035, at which Solectron stockholders will be asked to consider and vote upon a proposal to adopt the merger agreement.

Only holders of record of Solectron common stock and the holder of the one issued and outstanding share of Series B Preferred Stock of Solectron at the close of business on August 6, 2007, the record date for the special meeting, are entitled to notice of, and to vote at, the Solectron special meeting or any adjournments or postponements of the special meeting.

The merger cannot be completed unless holders of a majority of the aggregate voting power represented by the outstanding shares of Solectron common stock and the outstanding share of Solectron Series B Preferred Stock, voting together as one class, vote in favor of the proposal to adopt the merger agreement. Holders of Solectron common stock are entitled to one vote for each share of Solectron common stock that such holder holds. The holder of the outstanding share of Series B Preferred Stock is entitled to a number of votes with respect to the share of Series B Preferred Stock equal to the number of issued and outstanding exchangeable shares as of the record date for this meeting that are not owned by Solectron, any of its subsidiaries or other affiliates. Eighteen directors and executive officers of Solectron, who together hold approximately 0.77% of Solectron common stock outstanding as of the record date (including the outstanding exchangeable shares), have agreed to vote in favor of the merger.

Flextronics s Reasons for the Merger and Board Recommendation (see page 49)

The Flextronics board of directors based its decision to approve the merger agreement and the merger, and to recommend that Flextronics shareholders approve the issuance of ordinary shares in the merger, based on a variety of factors, including, without limitation, the following anticipated strategic benefits of the merger:

Enhanced Competitive Position. Combining Flextronics and Solectron would create the most diversified and premier global provider of advanced design and vertically integrated electronics manufacturing services, or EMS, with the broadest worldwide EMS capabilities, from design resources to end-to-end vertically integrated global supply chain services. The combined company would be able to use its increased scale to realize significant cost savings and further extend its reach within established market segments.

Improved Customer Offering. By adding Solectron s resources and unique skill sets, Flextronics would be able to provide more value innovation to its customers by leveraging the combined global economies of scale in

manufacturing, logistics, procurement, design, engineering, and ODM services. A larger company would be more competitive and therefore better positioned to deliver supply chain solutions that fulfill its customers increasingly complex requirements. The combined company could help improve the competitive position of its customers by simplifying their global product development process while also delivering improved product quality with enhanced performance and faster time to market.

Complementary Businesses. Solectron s strengths in high-end computing, communications, and networking infrastructure market segments complement Flextronics s strengths in vertical integration and ODM capabilities and its expertise in cell phones and consumer electronics. The combined company would be a leading EMS supplier of high-end products, enhancing and leveraging Flextronics s global leadership position in high-volume,

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low-cost products. In addition, Solectron s after-market sales support, repair service, and build to order/configure to order capabilities would be a valuable addition to Flextronics s existing end-to-end vertically-integrated service capabilities.

Operating Synergies. Over the last 18 months, Flextronics has reorganized its management structure, creating the infrastructure required to effectively and efficiently add scale to its operations and enable it to achieve the synergies expected from the successful integration of Solectron s operations. The combined company would be expected to realize cost savings from manufacturing and operating expense reductions, which will result from global footprint rationalization and the elimination of redundant assets or unnecessary functions. Additional costs savings would be expected from leveraging increased scale and purchasing power, and the expansion of vertical integration will drive higher combined profitability. In addition, combined capital expenditures would be reduced by the redeployment of equipment and rationalized manufacturing locations.

Diversification. Flextronics s current product portfolio is highly concentrated in the mobile segment, which represented approximately 31% of Flextronics s revenues for the quarter ended March 31, 2007, followed by consumer digital at 24%, infrastructure at 23%, industrial, auto, medical and other at 12%, and computing at 10% of revenues. By comparison, infrastructure represented 42% of Solectron s revenues for the quarter ended March 2, 2007, followed by computing at 34%, industrial, auto, medical and other at 12%, and consumer digital at 12%. Following the merger, the combined company will have a more diversified and balanced customer and product mix, especially with regard to the mobile and infrastructure market segments, which may better position the combined company to withstand end market, customer and product volatility in the future.

After careful consideration, Flextronics s board of directors unanimously determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the interests of Flextronics and its shareholders. The Flextronics board of directors unanimously recommends that Flextronics shareholders vote FOR the proposal to approve the issuance of Flextronics ordinary shares pursuant to the merger agreement.

Opinion of Flextronics s Financial Advisor (see page 51)

Citigroup Global Markets Inc., referred to in this joint proxy statement/prospectus as Citigroup, has acted as financial advisor to Flextronics in connection with the merger. Citigroup made a presentation to the Flextronics board of directors in which Citigroup reviewed certain financial analyses and rendered to the Flextronics special acquisition committee of the board of directors an oral opinion, subsequently confirmed in writing to the Flextronics board of directors, that as of June 3, 2007, and subject to the factors, assumptions, procedures, limitations and qualifications set forth in the opinion, the consideration to be paid by Flextronics in the acquisition is fair, from a financial point of view, to Flextronics.

The full text of Citigroup s written opinion dated June 3, 2007, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with its opinion, is included as Annex D to this joint proxy statement/prospectus. Citigroup s opinion was limited solely to the fairness to Flextronics of the acquisition consideration from a financial point of view as of the date of the opinion. Neither Citigroup s opinion nor the related analyses constituted a recommendation of the proposed acquisition to the Flextronics board of directors. Citigroup makes no recommendation to any stockholder as to how you should vote or act on any matters relating to the proposed acquisition. Citigroup was not requested to consider, and its opinion does not address, the relative merits of the acquisition compared to any alternative business strategies that might exist for Flextronics or the effect of any other transaction in which Flextronics might engage. This summary of Citigroup s opinion is qualified in its entirety by reference to the full text of the opinion. You are urged to read Citigroup s opinion carefully and in its entirety.

Solectron s Reasons for the Merger and Board Recommendation (see page 56)

The Solectron board of directors identified the following anticipated strategic and financial benefits of the merger:

Complementary Businesses. The development, manufacturing and logistics capabilities of the two companies are complementary and should enable the combined company to compete more effectively in the general EMS market. The combined company should be stronger than either company on its own, with greater breadth and depth of service offerings and with the scale and anticipated operational efficiencies that should allow it to profitably compete. In addition, Flextronics s ODM capabilities, its vertical integration model, and its continued

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targeting of non-traditional EMS market segments (e.g., automotive, military/aerospace, industrial and medical) should allow the combined company to compete effectively in these market segments, which offer greater growth potential and higher margins than the traditional EMS market segments. Lastly, the integration of the Solectron and Flextronics logistics networks with these manufacturing facilities should create a more flexible and responsive organization that can more quickly react to and address regional and local changes in market demand and customer expectations and preferences in the various markets throughout the world.

Customers. The combined company should be able to deepen relationships with many of its existing customers by leveraging Flextronics s vertical integration capabilities. Solectron expects the combined company to improve its ability to expand its current customer relationships and expects to increase its penetration of new customer accounts. Solectron believes that the combination of the two companies design, engineering, manufacturing and logistics capabilities should enable the combined company to meet customer needs more effectively and, particularly with the vertical integration model that Flextronics has been pursuing, to deliver more complete solutions to customers at a lower cost to those customers while realizing improved margins for the combined company. In addition, Solectron believes the larger sales organization, greater marketing resources and financial strength of the combined company may lead to improved opportunities for marketing the combined company s offerings.

Reduction in Operating Costs. The combined company is expected to realize substantial cost savings as a result of increased efficiencies in manufacturing, logistics and operating expenses. Flextronics and Solectron expect the combined company to achieve benefits from cost savings from manufacturing and operating expense reductions resulting from global footprint rationalization and the elimination of redundant assets or unnecessary functions; leveraging increased scale and purchasing power; and the expansion of vertical integration capabilities within the Solectron customer base.

Stronger Financial Position. The combined company will have greater scale and financial resources, including total cash and cash equivalents. Flextronics and Solectron expect that this stronger financial position will improve the combined company s ability to support the combined company s strategy; to respond more quickly and effectively to customer needs, technological change, increased competition and shifting market demand; and to pursue strategic growth opportunities in the future, including acquisitions.

Stock-for-Stock with Fixed Exchange Ratio for Stockholders that Elect Stock. Solectron s stockholders who receive Flextronics ordinary shares in the merger will share in the benefits from the growth opportunities, synergies and cost savings that are expected to be realized by the combined company as a result of the merger. The fact that the stock consideration is based on a fixed exchange ratio provides certainty as to the number of Flextronics ordinary shares that will be issued to Solectron stockholders who receive Flextronics ordinary shares in the merger.

After careful consideration, the Solectron board of directors unanimously determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable and fair to and in the best interests of the Solectron stockholders and has unanimously approved the merger agreement. The Solectron board of directors unanimously recommends that the Solectron stockholders vote FOR the adoption of the merger agreement.

Opinion of Solectron s Financial Advisor (see page 61)

Goldman, Sachs & Co., referred to in this joint proxy statement/prospectus as Goldman Sachs, delivered its oral opinion to Solectron s board of directors on June 3, 2007, which it subsequently confirmed in writing on June 4, 2007, that, as of the dates of such opinions, and based upon and subject to the factors and assumptions set forth therein, the Stock Consideration and the Cash Consideration (as such terms are defined in the written opinion of Goldman Sachs)

to be received by the holders of Shares (as such term is defined in the written opinion of Goldman Sachs), taken in the aggregate, was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated June 4, 2007, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex E. Goldman Sachs provided its opinion for the information and assistance of Solectron s board of directors in connection with its consideration of the transaction. The Goldman Sachs opinion does not constitute a recommendation as to how any holder of Solectron s common stock should vote or make any election with respect to the

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transaction or any other matter. Pursuant to an engagement letter between Solectron and Goldman Sachs, Solectron has agreed to pay Goldman Sachs a transaction fee based on 0.32% of the aggregate consideration paid in the transaction, 25% of which became payable upon execution of the merger agreement and the remainder of which is payable upon consummation of the transaction.

Interests of Solectron s Officers and Directors in the Merger (see page 67)

When considering the Solectron board of directors recommendation that Solectron stockholders vote in favor of the proposal to adopt the merger agreement, Solectron s stockholders should be aware that Solectron s directors and executive officers may have interests in the merger that differ from, or which are in addition to, the interests of Solectron stockholders. These interests create a potential conflict of interest and may be perceived to have affected their decision to support or approve the merger. The Solectron board of directors was aware of these potential conflicts of interest during its deliberations on the merits of the merger and in making its decisions in approving the merger agreement, the merger and the related transactions. These interests include possible continued employment of certain executive officers of Solectron by the combined company, the continuation of indemnification rights and coverage under existing or new directors and officers liability insurance policies, accelerated vesting of stock awards to executive officers and directors and the receipt of other benefits, including accelerated vesting of amounts contributed to the accounts of executive officers in the Solectron Executive Deferred Compensation Plan, that would be triggered by certain terminations on or following the consummation of the merger. Solectron stockholders should be aware of these interests when considering the Solectron board of directors recommendation to adopt the merger agreement.

Solectron Is Prohibited from Soliciting Other Offers (see page 97)

The merger agreement contains detailed provisions that prohibit Solectron and its subsidiaries, and their officers and directors, from taking any action to solicit or engage in discussions or participate in negotiations with any person or group with respect to an acquisition proposal, as defined in the merger agreement, including an acquisition that would result in the person or group acquiring more than a 20% interest in Solectron s or any of its subsidiaries total outstanding voting securities, a merger, consolidation or other business combination involving Solectron or any of its subsidiaries, a sale, lease outside the ordinary course of business, exchange, transfer, license outside the ordinary course of business, acquisition or disposition of more than 20% of the assets of Solectron (including its subsidiaries taken as a whole), or any liquidation or dissolution of Solectron. Solectron is also required to use all reasonable best efforts to cause its advisors to comply with these restrictions. The merger agreement does not, however, prohibit Solectron or its board of directors from considering and, in certain circumstances, from potentially recommending, an unsolicited bona fide written acquisition proposal from a third party if specified conditions are met.

Change of Board Recommendation (see page 96)

Subject to specified conditions, the board of directors of Solectron may withdraw or modify its recommendation in support of the adoption of the merger agreement by Solectron s stockholders. In the event that the board of directors of Solectron withdraws or modifies its recommendation in a manner adverse to Flextronics, Solectron may be required to pay a termination fee of $100.0 million to Flextronics.

Flextronics and Solectron May Terminate the Merger Agreement under Specified Circumstances (see page 106)

Under circumstances specified in the merger agreement, either Flextronics or Solectron may terminate the merger agreement. These circumstances generally include if:

Flextronics and Solectron mutually agree to terminate the merger agreement;

if the merger is not completed by December 31, 2007, provided that either party may extend such date to March 31, 2008, if the condition requiring approvals and consents (including the termination of any waiting period) under merger notification and control laws shall not have been satisfied;

if any governmental entity issues any order or takes any other action having the effect of permanently restraining, enjoining or prohibiting the completion of the merger;

if Solectron stockholders fail to adopt the merger agreement or Flextronics shareholders fail to authorize the issuance of Flextronics ordinary shares in the merger;

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if any party breaches its representations, warranties or covenants in the merger agreement such that the conditions to completion of the merger regarding its representations, warranties or covenants would not be satisfied, subject to a 30-day cure period;

if there has been, or any event has occurred since the date of the merger agreement that would reasonably be expected to have, a material adverse effect on Solectron, and (i) the material adverse effect is not reasonably capable of being cured prior to the termination date of the merger agreement, or (ii) the material adverse effect is not cured prior to the earlier of the termination date and 30 days following the receipt of written notice from Flextronics to Solectron of the material adverse effect (which right to terminate may only be exercised by Flextronics), provided that Flextronics may not exercise this termination right if it is in material breach of the merger agreement; or

there has been, or any event has occurred since the date of the merger agreement that would reasonably be expected to have, a material adverse effect on Flextronics, and (i) the material adverse effect is not reasonably capable of being cured prior to the termination date of the merger agreement, or (ii) the material adverse effect is not cured prior to the earlier of the termination date and 30 days following the receipt of written notice from Solectron to Flextronics of the material adverse effect (which right to terminate may only be exercised by Solectron), provided that Solectron may not exercise this termination right if it is in material breach of the merger agreement.

Additionally, prior to the adoption of the merger agreement by Solectron s stockholders, Flextronics may terminate the merger agreement if the board of directors of Solectron takes certain specified actions in opposition to the merger that are described as triggering events in the merger agreement. Solectron may terminate the merger agreement if it enters into a definitive agreement with respect to an alternative acquisition under specified conditions and pays the termination fee to Flextronics.

Payment of a Termination Fee under Specified Circumstances (see page 108)

If the merger agreement is terminated under specified circumstances, Solectron could be required to pay a termination fee of $100.0 million to Flextronics and, in certain other specified circumstances, Flextronics could be required to pay a termination fee of $100.0 million to Solectron.

What Is Needed to Complete the Merger (see page 104)

Several conditions must be satisfied or waived before Flextronics and Solectron complete the merger, including those summarized below:

the adoption of the merger agreement by Solectron s stockholders and the authorization of the issuance of Flextronics ordinary shares in the merger by Flextronics s shareholders;

the effectiveness of the registration statement of which this joint proxy statement/prospectus forms a part;

the absence of any law, regulation or order making the merger illegal or otherwise prohibiting the merger;

the expiration or termination of any applicable waiting periods and the receipt of any consents, waivers or approvals required under applicable U.S. and foreign merger control regulations;

the accuracy of each company s representations and warranties in the merger agreement in all respects as of the date of the merger agreement and as of the closing date, except those representations and warranties which address matters only as of a particular date, which must be true and correct as of that date, and except for representations and warranties where failure to be true and correct did not and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the company;

material compliance by each party with its agreements and covenants in the merger agreement; and

the absence of any change, circumstance or effect which, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on either party.

If the law permits, either Solectron or Flextronics could choose to waive a condition to its obligation to complete the merger even though that condition has not been satisfied.

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In addition, the obligation of Flextronics and Solectron to consummate the merger as a two-stop merger is subject to their receipt of an opinion from their respective tax counsel that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code, as amended, and that no gain (except to the extent of cash received) will be recognized by Solectron stockholders, other than by certain stockholders in certain situations.

Treatment of Exchangeable Shares and Series B Preferred Stock (see Annex F)

Under the merger agreement, Solectron has agreed to take all action necessary to cause 3942163 Canada Inc., or Callco, a wholly-owned indirect subsidiary of Solectron, to acquire, prior to the effective time of the merger, all the issued and outstanding exchangeable shares, by exercising its overriding redemption call right pursuant to the terms and conditions of the exchangeable shares. The purchase price payable by Callco in connection with the exchange, in respect of each exchangeable share, is one share of Solectron common stock (including an amount equal to the full amount of all declared but unpaid dividends on such exchangeable share, if any, and subject to applicable withholding taxes), which Solectron common stock will be issued prior to the effective time of the merger.

Upon completion of the exchange of exchangeable shares and prior to the effective time of the merger, Solectron will cause the one issued and outstanding share of Series B Preferred Stock in its capital to be cancelled in accordance with its terms.

Board of Directors and Management of the Combined Company (see page 74)

Under the terms of the merger agreement, Flextronics will appoint to its board of directors two individuals designated by Solectron and approved by Flextronics upon consummation of the merger, to hold office until their earlier resignation or removal in accordance with Flextronics s Memorandum and Articles of Association. Following the merger, one or more of the executive officers of Solectron may become executive officers of Flextronics. In connection therewith, Flextronics may enter into compensatory arrangements with one or more executive officers of Solectron, which arrangements may include payments of cash and/or grants of equity securities of Flextronics.

Material U.S. Federal Income Tax Consequences of the Merger (see page 75)

The two-step merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Code, and it is a condition to closing that each of Flextronics and Solectron receive an opinion from legal counsel to the effect that the merger will so qualify. If the two-step merger qualifies as a reorganization, the U.S. federal income tax consequences of the merger to each Solectron stockholder will vary depending on whether that stockholder receives Flextronics ordinary shares, cash, or a combination of cash and Flextronics ordinary shares in exchange for that stockholder s Solectron common stock.

If a Solectron stockholder receives only Flextronics ordinary shares in exchange for its Solectron common stock, that stockholder generally will not recognize gain or loss on the Solectron common stock surrendered pursuant to the merger. If a Solectron stockholder receives only cash in exchange for its Solectron common stock, that stockholder generally will recognize gain or loss equal to the difference between the amount of cash received and such stockholder s tax basis in the Solectron common stock surrendered. If a Solectron stockholder receives a combination of cash and Flextronics ordinary shares in exchange for its Solectron common stock, such stockholder generally will recognize gain (but will not be permitted to recognize loss) for U.S. federal income tax purposes equal to the lesser of (i) the amount of cash that stockholder received, and (ii) the amount of gain realized by that stockholder.

If, however, Flextronics or Solectron is unable to obtain an opinion of counsel to the effect that, for U.S. federal income tax purposes, the two-step merger will qualify generally as a reorganization within the meaning of Section 368(a) of the Code, the transaction may be structured as a merger of a wholly-owned subsidiary of Flextronics

with and into Solectron, with Solectron continuing as the surviving corporation and becoming a wholly-owned subsidiary of Flextronics, in which case the transaction will not qualify as a tax-free reorganization under Section 368(a) of the Code. In that event, Solectron stockholders generally would recognize gain or loss on the shares of Solectron common stock surrendered in the transaction in the amount of the difference between their basis in such shares and the sum of the amount of cash and the fair market value of the Flextronics ordinary shares received in exchange for the shares of Solectron common stock.

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Solectron stockholders are urged to read the discussion in the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger beginning on page 75 of this joint proxy statement/prospectus and to consult their tax advisors as to the U.S. federal income tax consequences of the merger, as well as the effect of state, local and non-U.S. tax laws.

Flextronics Financing (see page 79)

Flextronics estimates that it will require up to approximately $1.9 billion to pay the cash portion of the merger consideration, including acquisition and financing related costs, assuming 50% of Solectron s outstanding shares elect to receive cash. Flextronics currently has a $2.0 billion credit facility through a syndicate of banks led by Bank of America, N.A. Simultaneously with execution of the merger agreement, Flextronics and Citigroup agreed to the terms of a commitment letter pursuant to which Citigroup has committed to provide Flextronics with a seven-year, senior unsecured term loan facility of up to $2.5 billion to fund the cash requirements for the transaction, including the repurchase or refinancing of Solectron s debt, if required. The merger is not conditioned on receipt of financing by Flextronics and Flextronics continues to evaluate alternative long-term financing arrangements.

The Merger Is Subject to Approval of Regulatory Authorities (see page 80)

In order to complete the merger, Flextronics and Solectron must notify, furnish information to, and, where applicable, obtain clearance from competition authorities in Brazil, Canada, China, the European Commission, Mexico, Turkey, Ukraine and the United States. Flextronics and Solectron will also notify and furnish information to, on a voluntary basis, the competition authorities in Singapore. Flextronics and Solectron have made or will make the necessary filings with competition authorities in all of these jurisdictions. Although Flextronics and Solectron have received the necessary regulatory approvals in the United States, Canada and Ukraine and expect to obtain regulatory approvals in the remaining jurisdictions, there can be no assurance that Flextronics and Solectron will obtain all of the regulatory approvals necessary to complete the merger or that the granting of these regulatory approvals will not involve the imposition of conditions on the completion of the merger or require changes to the terms of the merger. In addition, in some jurisdictions, a competitor, customer or other third party could initiate a private action under the antitrust or other laws challenging or seeking to enjoin the merger, before or after it is completed.

Trading of Flextronics Ordinary Shares Received in the Merger; Delisting of Solectron Common Stock and Exchangeable Shares

If Flextronics and Solectron complete the merger, Solectron stockholders will be able to trade the Flextronics ordinary shares they receive in the merger on the NASDAQ Global Select Market, subject to restrictions on affiliates of Solectron. If Flextronics and Solectron complete the merger, Solectron common stock will no longer be listed on the New York Stock Exchange or any other market or exchange. Further, Solectron Global Services Canada Inc. exchangeable shares will be delisted from the Toronto Stock Exchange.

Appraisal Rights (see page 81)

Under Delaware law, Solectron stockholders that hold Solectron common stock are entitled to appraisal rights if they comply with the applicable provisions of Delaware law. Additionally, under Delaware law, if the record holder of the one share of Solectron Series B Preferred Stock does not cast any votes in favor of the adoption of the merger agreement at the Solectron special meeting, then the record holder has the right to seek an appraisal of, and to be paid the fair value for, the Series B Preferred Stock if the stockholder otherwise complies with the applicable provisions of Delaware law.

To obtain an appraisal, Solectron stockholders must submit a written demand for an appraisal before the vote on the approval of the merger agreement and must continue to hold their Solectron shares until the effective date of the merger. Solectron stockholders must also comply with other procedures as required by Delaware law. If Solectron stockholders validly demand appraisal of their shares in accordance with Delaware law and do not withdraw their demand or otherwise forfeit their appraisal rights, they will not receive the merger consideration. Instead, after completion of the proposed merger, a court will determine the fair value of their shares exclusive of any value arising from the proposed merger. This appraisal amount will be paid in cash and could be more than, the same as or less than the amount a Solectron stockholder would be entitled to receive under the terms of the merger agreement.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF FLEXTRONICS

The selected historical consolidated financial data for each year in the five-year period ended March 31, 2007, were derived from Flextronics s consolidated financial statements for those periods. This information is only a summary and should be read in conjunction with Flextronics s historical consolidated financial statements and related notes and the sections entitled Management s Discussion and Analysis of Financial Condition and Results of Operations contained in the annual and quarterly reports of Flextronics and in conjunction with the other information that Flextronics has filed with the SEC which have been incorporated by reference into this joint proxy statement/prospectus. See the section entitled Where You Can Find More Information beginning on page 183 of this joint proxy statement/prospectus.

	Fiscal Year Ended March 31,				
	2007	2006	2005	2004	2003
	(In thousands, except per share amounts)				
CONSOLIDATED STATEMENT OF OPERATIONS DATA:					
Net sales	$ 18,853,688	$ 15,287,976	$ 15,730,717	$ 14,479,262	$ 13,329,197
Cost of sales	17,777,859	14,354,461	14,720,532	13,676,855	12,626,105
Restructuring charges(1)	146,831	185,631	78,381	474,068	266,244
Gross profit	928,998	747,884	931,804	328,339	436,848
Selling, general and administrative expenses	547,538	463,946	525,607	469,229	434,615
Intangible amortization	37,089	37,160	33,541	34,543	20,058
Restructuring charges(1)	5,026	30,110	16,978	54,785	30,711
Other (income) charges, net(2)	(77,594)	(17,200)	(13,491)		7,456
Interest and other expense, net	91,986	92,951	89,996	77,241	92,774
Gain on divestiture of operations		(23,819)			
Loss on early extinguishment of debt			16,328	103,909	
Income (loss) from continuing operations before income taxes	324,953	164,736	262,845	(411,368)	(148,766)
Provision for (benefit from) income taxes	4,053	54,218	(68,652)	(64,958)	(64,987)
Income (loss) from continuing operations	320,900	110,518	331,497	(346,410)	(83,779)
Income (loss) from discontinued operations, net of tax	187,738	30,644	8,374	(5,968)	326

Net income (loss)	$ 508,638	$ 141,162	$ 339,871	$ (352,378)	$ (83,453)
Diluted earnings (loss) per share:					
Continuing operations	$ 0.54	$ 0.18	$ 0.57	$ (0.66)	$ (0.16)
Discontinued operations	$ 0.31	$ 0.05	$ 0.01	$ (0.01)	$
Total	$ 0.85	$ 0.24	$ 0.58	$ (0.67)	$ (0.16)

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	2007	2006	As of March 31, 2005	2004	2003
			(In thousands)		
CONSOLIDATED BALANCE SHEET DATA(3):					
Working capital	$ 1,102,979	$ 938,632	$ 906,971	$ 884,816	$ 897,741
Total assets	12,341,374	10,958,407	11,009,766	9,583,937	8,394,104
Total long-term debt and capital lease obligations, excluding current portion	1,493,805	1,489,366	1,709,570	1,624,261	1,049,853
Shareholders equity	6,176,659	5,354,647	5,224,048	4,367,213	4,542,020

(1) Flextronics recognized restructuring charges of $151.9 million, $215.7 million, $95.4 million, $540.3 million (including $11.5 million attributable to discontinued operations) and $297.0 million in fiscal years 2007, 2006, 2005, 2004 and 2003, respectively, associated with the consolidation and closure of several manufacturing facilities.

(2) Flextronics recognized $79.8 million, $20.6 million and $29.3 million of net foreign exchange gains from the liquidation of certain international entities in fiscal years 2007, 2006 and 2005, respectively. Flextronics also recognized $7.7 million and $7.6 million in executive separation costs in fiscal years 2006 and 2005, respectively. Flextronics recognized charges of $8.2 million and $7.4 million in fiscal years 2005 and 2003, respectively, for the other-than-temporary impairment of its investments in certain non-publicly traded companies. In fiscal year 2006, Flextronics recognized a net gain of $4.3 million related to its investments in certain non-publicly traded companies.

(3) Includes continuing and discontinued operations for the fiscal years ended on and prior to March 31, 2006.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF SOLECTRON

The selected historical consolidated financial data in the tables below as of and for the nine months ended June 1, 2007 and May 26, 2006 were derived from Solectron s unaudited consolidated financial statements. The selected historical consolidated financial data for each year in the five fiscal year period ended August 25, 2006, were derived from Solectron s audited consolidated financial statements. This information should be read in conjunction with Solectron s historical consolidated financial statements and related notes and the sections entitled Management s Discussion and Analysis of Financial Condition and Results of Operations contained in the annual and quarterly reports of Solectron and in conjunction with the other information that Solectron has filed with the SEC which have been incorporated by reference into this joint proxy statement/prospectus.

	Nine Months Ended		For Twelve Months Ended				
	June 1, 2007	May 26, 2006	August 25, 2006	August 26, 2005	August 27, 2004	August 29, 2003	August 30, 2002
	(In millions, except per share data)						
CONSOLIDATED STATEMENT OF OPERATIONS DATA:							
Net sales	$ 8,886.3	$ 7,658.6	$ 10,560.7	$ 10,441.1	$ 11,638.3	$ 9,828.3	$ 10,738.7
Cost of sales	8,432.7	7,261.8	10,013.1	9,868.8	11,068.6	9,388.4	10,234.8
Gross profit	453.6	396.8	547.6	572.3	569.7	439.9	503.9
Operating expenses:							
Selling, general and administrative	338.6	323.9	433.3	412.8	446.7	566.9	661.4
Restructuring and impairment costs(1)	80.7	9.1	14.0	91.1	177.9	604.8	787.7
Goodwill impairment costs(2)						1,620.1	2,500.0
Operating income (loss)	34.3	63.8	100.3	68.4	(54.9)	(2,351.9)	(3,445.2)
Interest and other income (expense)	13.1	15.1	16.8	(63.2)	(210.8)	(131.5)	(74.1)
Income (loss) from continuing operations before income taxes	47.4	78.9	117.1	5.2	(265.7)	(2,483.4)	(3,519.3)
Income tax expense (benefit)	13.0	(0.8)	(1.3)	15.7	(3.3)	525.5	(450.0)
Income (loss) from continuing operations	$ 34.4	$ 79.7	$ 118.4	$ (10.5)	$ (262.4)	$ (3,008.9)	$ (3,069.3)
Discontinued operations:	$ (1.0)	$ 16.7	$ 15.6	$ 16.8	$ 93.7	$ (331.7)	$ (59.1)

Income (loss) from discontinued operations							
Income tax expense (benefit)				2.9	8.7	112.0	(18.7)
Income (loss) on discontinued operations	(1.0)	16.7	15.6	13.9	85.0	(443.7)	(40.4)
Income (loss) before cumulative effect of change in accounting principle	33.4	96.4	134.0	3.4	(177.4)	(3,452.6)	(3,109.7)
Cumulative effect of change in accounting principle, net			(0.8)				
Net income (loss)	$ 33.4	$ 96.4	$ 133.2	$ 3.4	$ (177.4)	$ (3,452.6)	$ (3,109.7)

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	Nine Months Ended		For Twelve Months Ended				
	June 1, 2007	May 26, 2006	August 25, 2006	August 26, 2005	August 27, 2004	August 29, 2003	August 30, 2002
	(In millions, except per share data)						
Basic net income (loss) per share:							
Continuing operations	$ 0.04	$ 0.09	$ 0.13	$ (0.01)	$ (0.30)	$ (3.63)	$ (3.93)
Discontinued operations		0.02	0.02	0.01	0.10	(0.54)	(0.05)
Basic net income (loss) per share	$ 0.04	$ 0.11	$ 0.15	$ 0.00	$ (0.20)	$ (4.17)	$ (3.98)
Diluted net income (loss) per share:							
Continuing operations	$ 0.04	$ 0.09	$ 0.13	$ (0.01)	$ (0.30)	$ (3.63)	$ (3.93)
Discontinued operations		0.02	0.02	0.01	0.10	(0.54)	(0.05)
Diluted net income (loss) per share	$ 0.04	$ 0.11	$ 0.15	$ (0.00)	$ (0.20)	$ (4.17)	$ (3.98)

	As of						
	June 1, 2007	May 26, 2006	August 25, 2006	August 26, 2005	August 27, 2004	August 29, 2003	August 30, 2002
	(In millions)						
CONSOLIDATED BALANCE SHEET DATA*:							
Working capital	$ 2,111.8	$ 2,044.6	$ 2,047.5	$ 2,009.4	$ 2,476.8	$ 1,696.6	$ 3,652.8
Total assets	5,903.1	5,434.0	5,373.6	5,257.8	5,864.0	6,570.3	10,990.0
Long-term debt	609.8	627.5	619.4	540.9	1,221.4	1,816.9	3,180.2
Stockholders equity	2,483.1	2,399.1	2,413.7	2,444.2	2,418.9	1,471.7	4,771.4

* Continuing and discontinued operations

(1) Restructuring and impairment costs consist of the following:

For the nine months ended June 1, 2007, $80.7 million primarily related to severance, leased facilities, impairment charges and other exit costs.

For the nine months ended May 26, 2006, (a) $8.0 million of impairment charges resulting from the impairment of certain long-lived assets, (b) $1.9 million of charges related to intangible assets, (c) $10.2 million reversal of restructuring charges resulting from a reduction in severance provision, and (d) a $9.4 million restructuring charge for facilities and other exit costs.

For the twelve months ended August 25, 2006: (a) $12.9 million of impairment charges resulting from the impairment of certain long-lived assets, (b) $1.9 million of charges related to intangible assets, (c) $10.8 million

reversal of restructuring charges resulting from a reduction in severance provision, and (d) a $10.0 million restructuring charge for facilities and other exit costs.

For the twelve months ended August 26, 2005: (a) $55.2 million of restructuring charges, principally arising from the Fiscal Year 2005 Restructuring Plan to consolidate facilities, reduce the workforce in Europe and North America, and impair certain long-lived assets, and (b) a $35.9 million impairment due to non-cash charges in connection with the sale of a facility in Japan.

For the twelve months ended August 27, 2004: (a) $130.4 million of restructuring charges and (b) a $47.5 million impairment of an intangible asset arising from the disengagement from certain product lines.

For the twelve months ended August 29, 2003: (a) $433.1 million of restructuring charges and (b) $171.7 million of impairment charges as the result of reduced expectations of sales to be realized under certain supply agreements.

For the twelve months ended August 30, 2002: (a) $596.5 million of restructuring charges and (b) $191.2 million of impairment charges as the result of reduced expectations of sales to be realized under certain supply agreements.

(2) Goodwill impairments of approximately $1.6 billion and $2.5 billion were recorded in fiscal year 2003 and fiscal year 2002, respectively, as a result of significant negative industry and economic trends impacting Solectron s operations and stock price.

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SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

The merger will be accounted for by Flextronics under the purchase method of accounting, which means the assets and liabilities of Solectron will be recorded, as of the completion of the merger, at their respective fair values and added to those of Flextronics. For a more detailed description of purchase accounting, see the section entitled The Merger Accounting Treatment of the Merger on page 79 of this joint proxy statement/prospectus.

The following table shows information about the unaudited pro forma financial condition and results of operations after giving effect to the merger. The table sets forth selected unaudited pro forma condensed combined statement of operations data as if the merger had become effective on April 1, 2006, and selected unaudited pro forma condensed combined balance sheet data as if the merger had become effective on March 31, 2007. Flextronics s fiscal year ends on March 31 whereas Solectron s financial reporting year ends on the last Friday in August. In order to prepare the selected unaudited pro forma condensed combined statement of operations for the year ended March 31, 2007, Solectron s operating results have been aligned to more closely conform to those of Flextronics. Solectron s statement of operations has been adjusted to present its results of operations for the twelve months ended March 2, 2007 by adding its interim period results for the six-months ended March 2, 2007 to its results of operations for the year ended August 25, 2006, and subtracting the comparable preceding year interim period results. Solectron s results of operations for the six-month period ended February 24, 2006 (the preceding year interim period results) include net sales of $5.0 billion and income from continuing operations of $37.3 million. In addition, certain reclassifications have been made as pro forma adjustments to Solectron s historical financial statements to conform to the presentation used in Flextronics s historical financial statements. Such reclassifications had no effect on Solectron s previously reported results of operations.

The information presented below should be read together with the historical consolidated financial statements of Flextronics and Solectron, including the related notes, filed by each of them with the SEC and incorporated herein by reference, together with the summary selected consolidated historical financial data for Flextronics and Solectron and the other unaudited pro forma financial information, including the related notes, appearing elsewhere in this joint proxy statement/prospectus. See the sections entitled Where You Can Find More Information beginning on page 183 of this joint proxy statement/prospectus and Unaudited Pro Forma Condensed Combined Financial Information beginning on page 111 of this joint proxy statement/prospectus. The unaudited pro forma financial data are not necessarily indicative of results that actually would have occurred had the merger been completed on the dates indicated or that may be attained in the future. See the sections entitled Risk Factors beginning on page 26 of this joint proxy statement/prospectus and Cautionary Statement Regarding Forward-Looking Information beginning on page 25 of this joint proxy statement/prospectus.

	Fiscal Year Ended March 31, 2007 (In thousands, except per share amounts)
PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS DATA(1):	
Net sales	$ 30,094,061
Cost of sales	28,416,872
Restructuring charges	203,492

Gross profit		1,473,697
Selling, general and administrative expenses		990,248
Intangible amortization		69,890
Restructuring charges		6,965
Other income, net		(77,594)
Interest and other expense, net		223,502
Income from continuing operations before income taxes		260,686
Benefit from income taxes		(15,139)
Income from continuing operations	$	275,825
Diluted earnings per share:	$	0.36

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	As of March 31, 2007 (In thousands)
PRO FORMA CONDENSED COMBINED BALANCE SHEET DATA(1):	
Working capital	$ 3,156,468
Total assets	19,365,973
Total long-term debt and capital lease obligations, excluding current portion	3,993,439
Shareholders equity	8,001,934

(1) In preparing the unaudited pro forma condensed combined financial statements, Flextronics has assumed that holders of 50% of Solectron s common stock outstanding immediately prior to the closing of the merger will elect to receive new Flextronics ordinary shares at the exchange ratio of 0.3450 of a Flextronics ordinary share for each share of Solectron common stock, and holders of 50% of Solectron s common stock outstanding immediately prior to the closing of the merger will elect to receive cash consideration in the amount of $3.89 per share of Solectron common stock as stated in the merger agreement. Flextronics is continuing to evaluate its existing cash positions and financing agreements, and alternative long-term financing arrangements to fund the cash requirements for this transaction (including the refinancing of Solectron s debt if required). For the purposes of preparing the unaudited pro forma condensed combined financial statements, Flextronics estimates that it will borrow approximately $1.9 billion in connection with financing the cash consideration attributable to the acquisition (including costs associated with the transaction). Depending on the actual number of Solectron shares outstanding as of the acquisition date and the percentage of Solectron stockholders that elect to receive Flextronics ordinary shares, the cash paid, amount borrowed and Flextronics ordinary shares issued may differ significantly from the information in the unaudited pro forma condensed combined financial statements. For example, had Flextronics assumed that holders of 70% of Solectron s common stock outstanding immediately prior to the closing of the merger would elect to receive Flextronics ordinary shares and holders of 30% of Solectron s common stock outstanding immediately prior to the closing of the merger would elect to receive cash consideration, Flextronics estimates that it would borrow approximately $700 million less at an estimated interest rate of 7.3% resulting in less interest expense, a corresponding increase in the combined company s equity on a pro forma basis, and basic and diluted weighted average shares outstanding would be approximately 64 million shares higher on a pro forma basis. The impact on total purchase price and pro forma assets of the combined company is not material.

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COMPARATIVE HISTORICAL AND PRO FORMA PER SHARE DATA

The following table sets forth certain historical and pro forma combined per share data of Flextronics and Solectron and certain pro forma equivalent Solectron per share data. The information set forth below is only a summary and should be read in conjunction with selected historical consolidated financial data and selected unaudited pro forma condensed combined financial data contained elsewhere in this joint proxy statement/prospectus and the respective audited and unaudited financial statements and related notes of Flextronics and Solectron that are incorporated by reference into this joint proxy statement/prospectus. Neither Flextronics nor Solectron has declared or paid cash dividends in the last five years.

Historical Flextronics Per Share Data	
Income per diluted share from continuing operations:	
For the twelve months ended March 31, 2007	$ 0.54
Book value per share(1):	
As of March 31, 2007	$ 10.17
Historical Solectron Per Share Data	
Income per diluted share from continuing operations:	
For the twelve months ended August 25, 2006	$ 0.13
For the nine months ended June 1, 2007	$ 0.04
Book value per share(1):	
As of August 25, 2006	$ 2.66
As of June 1, 2007	$ 2.72
Unaudited Pro Forma Condensed Combined Comparative Per Share Data	
Income per diluted share from continuing operations:	
For the twelve months ended March 31, 2007	$ 0.36
Book value per share(1):	
As of March 31, 2007	$ 10.44
Unaudited Pro Forma Equivalent Per Share Data for Solectron(2)	
Income per diluted share from continuing operations:	
For the twelve months ended March 31, 2007	$ 0.12
Book value per share(1):	
As of March 31, 2007	$ 3.60

(1) Historical book value per share is computed by dividing total stockholders equity by the number of shares outstanding at the end of each period. The unaudited pro forma book value per share is computed by dividing total pro forma stockholders equity by the sum of the number of Flextronics ordinary shares outstanding at the end of the period and the number of Flextronics ordinary shares expected to be issued in the merger assuming holders of 50% of Solectron s common stock (including restricted shares and exchangeable shares) will elect to receive new Flextronics shares at the exchange ratio of 0.3450.

(2) The unaudited pro forma equivalent per share data was calculated by multiplying the share exchange ratio of 0.3450 by the pro forma income per diluted share from continuing operations and pro forma book value per share, respectively.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This joint proxy statement/prospectus (including information incorporated by reference herein) contains forward-looking statements within the meaning of federal securities laws relating to both Flextronics and Solectron. These forward-looking statements include statements related to the expected closing of the acquisition of Solectron by Flextronics, the expected synergies and benefits to the combined company and its customers from the acquisition, the ability of the acquisition to enable the combined company to capture new customers and expand relationships with existing customers, the impact of the acquisition on Flextronics s earnings, the ability of Flextronics to successfully integrate Solectron s business operations and employees, and potential difficulties or delays in obtaining regulatory or shareholder approvals for the proposed transaction. The results described in these forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated by the forward-looking statements, including, without limitation:

- the acquisition may not be completed as planned or at all;
- Solectron may not be successfully integrated into Flextronics s operations;
- the revenues, cost savings, growth prospects and any other synergies expected from the proposed transaction may not be fully realized or may take longer to realize than expected;
- growth in the EMS business may not occur as expected or at all;
- production difficulties may be encountered with Solectron s or Flextronics s products;
- Flextronics and Solectron depend on industries that continually produce technologically advanced products with short life cycles, which results in short-term customer commitments and fluctuations in demand for customers products; and
- the increased indebtedness resulting from the proposed transaction could limit the flexibility of the combined company, and possibly limit the combined company s business strategy or its ability to access additional capital.

Other risks affecting the combined company are described in the section entitled Risk Factors on page 26 as well as those described in the reports on Form 10-K, Form 10-Q and Form 8-K filed by Flextronics and by Solectron with the SEC. The forward-looking statements in this joint proxy statement/prospectus (including information incorporated by reference herein) are based on current expectations and neither Flextronics nor Solectron assumes any obligation to update these forward-looking statements.

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RISK FACTORS

In addition to the other information included in or incorporated by reference into this joint proxy statement/prospectus, you should carefully read and consider the following material risks relating to the merger and the business of the combined company before deciding whether to vote in favor of the proposal to adopt the merger agreement or to vote in favor of the proposal to authorize the issuance of Flextronics ordinary shares in the merger, as the case may be. You should also read and consider the risks associated with each of the businesses of Flextronics and Solectron because these risks will affect the combined company. These risks can be found in Flextronics s Annual Report on Form 10-K for the fiscal year ended March 31, 2007, Solectron s Quarterly Report on Form 10-Q for the quarter ended June 1, 2007 and in subsequent annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, which are filed by Flextronics and Solectron with the SEC and incorporated by reference into this document.

Risks Relating to the Merger

Because the market price of Flextronics ordinary shares will fluctuate, Solectron stockholders cannot be certain of the value of the merger consideration that they will receive in the merger.

If the merger is consummated, a maximum of 70% and no less than 50% of the Solectron common stock outstanding immediately prior to the closing of the merger will be converted into Flextronics ordinary shares. The exchange ratio at which each share of Solectron common stock will be converted into Flextronics ordinary shares is fixed at 0.3450 of a Flextronics ordinary share and will not be adjusted in the event that the price of either Flextronics ordinary shares or Solectron common stock increases or decreases prior to the closing of the merger. In addition, Solectron stockholders will have to make their election for cash or Flextronics ordinary shares by the later of the date of the Solectron special meeting and approximately ten business days prior to the expected completion of the merger. Further, obtaining required regulatory clearances and approvals and a number of other conditions beyond the control of Flextronics and Solectron may cause a substantial delay between the time of the Solectron special meeting and Flextronics annual general meeting and the completion of the merger.

The market value of Flextronics ordinary shares is likely to vary following the date of this joint proxy statement/prospectus, and prior to the date Solectron s stockholders vote to adopt the merger agreement and Flextronics s shareholders vote to authorize the issuance of Flextronics ordinary shares in the merger. In addition, the market value of Flextronics ordinary shares is likely to vary following the last date by which Solectron s stockholders must elect whether to receive cash consideration or Flextronics ordinary shares, and prior to the date the merger is completed. The market value of Flextronics ordinary shares is likely to vary due to a variety of factors, including economic, business, competitive, market and regulatory conditions, or changes in the operations or prospects of Flextronics or Solectron. The value of the Flextronics ordinary shares to be received by Solectron stockholders in the merger will go up or down with any such fluctuations in the value of Flextronics ordinary shares prior to the completion of the merger. If the market price of Flextronics ordinary shares decreases, the value of Flextronics ordinary shares issued in the merger would decrease from the value of such shares on the date Solectron s stockholders approved the merger agreement. Conversely, if the market price of the Flextronics ordinary shares issued upon completion of the merger increases, the value of the Flextronics ordinary shares issued to Solectron stockholders in the merger would be higher than the value of those shares on the date Flextronics s shareholders approved the issuance of Flextronics ordinary shares at the Flextronics annual general meeting. In addition, Solectron stockholders will not know the relative value of the Flextronics ordinary shares to be issued in the merger at the time the Solectron stockholders make their election for either cash or Flextronics ordinary shares. After the merger, the market value of Flextronics ordinary shares will continue to fluctuate over time due to economic, business, competitive, market and

regulatory factors.

Ownership of Flextronics ordinary shares may involve different risks than those affecting Solectron common stock.

Upon consummation of the merger, holders of Solectron common stock that receive Flextronics ordinary shares in the merger may be subject to different risks than they faced as Solectron stockholders. Flextronics s business differs from that of Solectron s and an investment in the combined company will expose Solectron s

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former stockholders to risks that are unique to Flextronics s business. These risks are described in the documents that Flextronics files with the SEC that are incorporated by reference into this joint proxy statement/prospectus and referred to in the section entitled Where You Can Find More Information beginning on page 183 of this joint proxy statement/prospectus.

In addition, there are numerous differences between the rights of a stockholder of Solectron, a Delaware corporation, and the rights of a shareholder of Flextronics, a Singapore company. For a detailed discussion of these differences, see the section entitled Comparison of Rights of Holders of Solectron Common Stock and Holders of Flextronics Ordinary Shares beginning on page 124 of this joint proxy statement/prospectus.

Solectron stockholders will have less of an ability to influence Flextronics s actions and decisions following the merger than they did with respect to Solectron s business.

Upon the consummation of the merger, former Solectron stockholders will not hold a majority of the then outstanding Flextronics ordinary shares. For example, if the merger was consummated on the record date for the Solectron special meeting, and assuming that the former Solectron stockholders holding 70% of the outstanding shares of Solectron common stock elect to receive Flextronics ordinary shares as merger consideration, former Solectron stockholders would hold in the aggregate approximately 27% of the outstanding Flextronics ordinary shares (based on the number of shares of Flextronics and Solectron outstanding as of the record date, including Solectron restricted shares and the exchangeable shares). Former Solectron stockholders will not have separate approval rights with respect to any actions or decisions of Flextronics. As a result, Solectron stockholders will have less of an ability to influence Flextronics s business than they did with respect to Solectron s business.

Solectron stockholders may receive a form or combination of consideration that differs from what they have elected to receive.

Although each Solectron stockholder may elect to receive either all cash or all Flextronics ordinary shares in the merger, the merger agreement provides that, regardless of the elections made by Solectron stockholders, at least 50% but no more than 70% of Solectron s outstanding shares of common stock (including the outstanding exchangeable shares) will be converted into Flextronics ordinary shares, and at least 30% but no more than 50% of Solectron s outstanding shares of common stock (including the outstanding exchangeable shares) will be converted into cash. As a result, the cash and stock elections made by Solectron stockholders will be subject to proration if either of these limits is exceeded, and Solectron stockholders that have elected to receive either cash or Flextronics ordinary shares could in certain circumstances receive a combination of both cash and Flextronics ordinary shares. In addition, if a Solectron stockholder fails to submit a properly completed and signed election form to the exchange agent by the election deadline, that stockholder will be unable to choose the type of merger consideration received, and, consequently, the stockholder may receive only cash, only Flextronics ordinary shares, or a combination of cash and Flextronics ordinary shares in the merger. Depending on each Solectron stockholder s circumstances, there could be significant differences in the tax treatment of the different forms of consideration received by Solectron stockholders in the merger. See the sections entitled The Merger Agreement Election of Merger Consideration beginning on page 88 of this joint proxy statement/prospectus and The Merger Material U.S. Federal Income Tax Consequences of the Merger beginning on page 75 of this joint proxy statement/prospectus.

The directors and executive officers of Solectron have interests and arrangements that could affect their decision to support or approve the merger.

When considering the Solectron board of directors recommendation that Solectron stockholders vote in favor of the proposal to adopt the merger agreement, Solectron s stockholders should be aware that Solectron s directors and executive officers may have interests in the merger that differ from, or which are in addition to, the interests of

Solectron stockholders. These interests create a potential conflict of interest and may be perceived to have affected their decision to support or approve the merger. The Solectron board of directors was aware of these potential conflicts of interest during its deliberations on the merits of the merger and in making its decisions in approving the merger agreement, the merger and the related transactions. These interests include possible continued employment of certain executive officers of Solectron by the combined company, the continuation of indemnification rights and coverage under existing or new directors and officers liability insurance policies, accelerated vesting of stock

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awards to executive officers and directors and the receipt of other benefits, including accelerated vesting of amounts contributed to the accounts of executive officers in the Solectron Executive Deferred Compensation Plan, that would be triggered by certain terminations on or following the consummation of the merger. Solectron stockholders should be aware of these interests when considering the Solectron board of directors recommendation to adopt the merger agreement. See the section entitled The Merger Interests of Solectron s Officers and Directors in the Merger beginning on page 67 of this joint proxy statement/prospectus.

If the merger does not qualify as a tax-free reorganization for U.S. federal income tax purposes, Solectron stockholders will recognize gain or loss on the exchange of Solectron common stock for Flextronics ordinary shares.

Although the Internal Revenue Service, or the IRS, has not provided and will not provide a ruling on the merger, Flextronics and Solectron each will seek to obtain a legal opinion from their respective tax counsel that the planned two-step merger will qualify as a tax-free reorganization under Section 368(a) of the Code. These opinions, if delivered, would neither bind the IRS nor prevent the IRS from adopting a contrary position. If either Flextronics s counsel or Solectron s counsel is unable to deliver such a legal opinion, then either Flextronics or Solectron may waive such condition unilaterally on behalf of all parties and the planned two-step merger will not be consummated. Instead, the transaction will proceed as a merger where Saturn Merger Corp. will be merged with and into Solectron, with Solectron continuing as the surviving corporation and a wholly-owned subsidiary of Flextronics, a transaction that generally would not qualify as a tax-free reorganization under Section 368(a) of the Code. If the merger does not qualify as a tax-free reorganization under Section 368(a) of the Code for any reason, Solectron stockholders generally would recognize gain or loss on the shares of Solectron common stock surrendered in the merger in the amount of the difference between the basis in such shares and the sum of the amount of cash and the fair market value of the Flextronics ordinary shares received in exchange for such shares of Solectron common stock. If counsel for either Flextronics or Solectron is unable to deliver the required opinion, either Flextronics or Solectron, without needing the consent of the other party, could decide to proceed with a merger that does not qualify as a tax-free reorganization under Section 368(a) of the Code. That decision could be made after the date of the Solectron special meeting and Solectron stockholders would not have the opportunity to consider that decision when determining whether to adopt the merger agreement at the Solectron special meeting. For a more complete description of the material U.S. federal income tax consequences of the merger, see the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger beginning on page 75 of this joint proxy statement/prospectus.

Flextronics and Solectron may be unable to obtain the regulatory approvals required to complete the merger; delays or restrictions imposed by competition authorities could harm the combined company s operations.

Flextronics and Solectron may be unable to obtain the regulatory approvals required to complete the transaction in the time period forecasted, if at all. In order to complete the merger, Flextronics and Solectron must notify, furnish information to, and, where applicable, obtain clearance from competition authorities in Brazil, Canada, China, the European Commission, Mexico, Turkey and Ukraine. Flextronics and Solectron will also notify and furnish information to, on a voluntary basis, the competition authorities in Singapore. The merger is also subject to U.S. antitrust laws and, as such, is subject to review by the Antitrust Division of the United States Department of Justice, or the DOJ, and the Federal Trade Commission, or the FTC, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the HSR Act. Flextronics and Solectron made their filings under the HSR Act on June 14, 2007, and have made the necessary filings and requests with competition authorities in Brazil on June 26, 2007, in Canada on July 6, 2007, in China on July 19, 2007, in Mexico on July 6, 2007, in Turkey on July 3, 2007 and in Ukraine on July 6, 2007. Flextronics and Solectron expect to file a voluntary notification of the merger in Singapore in mid-August 2007. Pursuant to a request for early termination, the applicable waiting period under the HSR Act was terminated on July 16, 2007. In addition, Canadian competition authorities cleared the transaction on July 30, 2007 and Ukrainian competition authorities cleared the transaction on August 3, 2007. Reviewing agencies or

governments or private persons may challenge the merger under antitrust or similar laws at any time before or after its completion. Any resulting delay in the completion of the merger could diminish the

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anticipated benefits of the merger or result in additional transaction costs, loss of revenue or other effects associated with uncertainty about the transaction.

The reviewing authorities may not permit the merger at all or may impose restrictions or conditions on the merger that may seriously harm the combined company if the merger is completed. These conditions could include a complete or partial license, divestiture, spin-off or the holding separate of assets or businesses. Pursuant to the terms of the merger agreement, Flextronics is not required to agree to any divestiture of any shares of capital stock or of any business, assets or properties of Flextronics or its subsidiaries or affiliates (including Solectron or its subsidiaries) that will have or would reasonably be expected to have a material adverse effect on the benefits expected to be derived from the merger. In addition, Flextronics may refuse to complete the merger if governmental authorities impose any material restrictions or limitations on Flextronics, Solectron or their respective subsidiaries and their ability to conduct their respective businesses that will have or would reasonably be expected to have a material adverse effect on the benefits expected to be derived from the merger. Flextronics and Solectron also may agree to restrictions or conditions imposed by antitrust authorities in order to obtain regulatory approval, and these restrictions or conditions could harm the combined company s operations.

Any delay in completing the merger may significantly reduce the benefits expected to be obtained from the merger.

In addition to receipt of required regulatory clearances and approvals, the merger is subject to a number of other conditions beyond the control of Flextronics and Solectron that may prevent, delay or otherwise materially adversely affect its completion. See the section entitled The Merger Agreement Conditions to Completion of the Merger beginning on page 104 of this joint proxy statement/prospectus. Flextronics and Solectron cannot predict whether and when these other conditions will be satisfied. Further, the requirements for obtaining the required clearances and approvals could delay the completion of the merger for a significant period of time or prevent it from occurring. Any delay in completing the merger may affect the ability of Flextronics and Solectron to achieve the synergies and other benefits they expect to achieve from the merger within the forecasted timeframe.

Failure to complete the merger could materially and adversely affect Solectron s and Flextronics s results of operations and respective stock prices.

Consummation of the merger is subject to customary closing conditions, including obtaining the approval of Solectron s stockholders and Flextronics shareholders to proposals that are described in this joint proxy statement/prospectus. There can be no assurance that these conditions will be met or waived, that the necessary approvals will be obtained, or that Flextronics and Solectron will be able to successfully consummate the merger as currently contemplated under the merger agreement or at all. In addition, on June 4, 2007, a purported class action complaint was filed in the Superior Court of the State of California, County of Santa Clara, alleging breach of fiduciary duty of the directors of Solectron and seeking to enjoin the merger. See the section entitled The Merger Legal Proceedings Relating to the Merger beginning on page 81 of this joint proxy statement/prospectus.

If the merger is not consummated:

- Flextronics and Solectron will remain liable for significant transaction costs, including legal, accounting, financial advisory and other costs relating to the merger;

- under specified circumstances, Solectron may have to pay a termination fee in the amount of $100.0 million to Flextronics or Flextronics may have to pay a termination fee in the amount of $100.0 million to Solectron (see the section entitled The Merger Agreement Termination of the Merger Agreement and Termination Fees beginning on page 106 of this joint proxy statement/prospectus);

any operational investments that Flextronics and Solectron may delay due to the pending transaction would need to be made, potentially on an accelerated timeframe, which could then prove costly and more difficult to implement; and

the market price of Solectron common stock may decline to the extent that the current market price reflects a belief by investors that the merger will be completed.

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Additionally, the announcement of the pending merger may lead to uncertainty for Flextronics s and Solectron s employees and some of Flextronics s and Solectron s customers and suppliers.

This uncertainty may mean:

- the attention of Flextronics s and Solectron s management and employees may be diverted from day-to-day operations;
- Flextronics s and Solectron s customers and suppliers may seek to modify or terminate existing agreements, or prospective customers may delay entering into new agreements or purchasing Solectron s products as a result of the announcement of the merger; and
- Flextronics s and Solectron s ability to attract new employees and retain existing employees may be harmed by uncertainties associated with the merger.

The occurrence of any of these events individually or in combination could materially and adversely affect Flextronics s and Solectron s results of operations and their respective stock prices.

The termination fee and the restrictions on solicitation contained in the merger agreement may discourage other companies from trying to acquire Solectron.

Until the completion of the merger (with some exceptions), Solectron is prohibited from initiating or engaging in discussions with third parties regarding some types of extraordinary transactions, such as a merger, business combination or sale of a material amount of assets or capital stock. In addition, Solectron has agreed to pay a termination fee in the amount of $100.0 million to Flextronics under specified circumstances described more fully in the section entitled The Merger Agreement Termination of the Merger Agreement and Termination Fees beginning on page 106 of this joint proxy statement/prospectus. These provisions could discourage other companies from trying to acquire Solectron even though those other companies might be willing to offer greater value to Solectron stockholders than Flextronics has offered in the merger.

The termination fee contained in the merger agreement may discourage other companies from trying to acquire Flextronics.

Flextronics has agreed to pay a termination fee in the amount of $100.0 million to Solectron in connection with a third-party acquisition of Flextronics under specified circumstances described more fully in the section entitled The Merger Agreement Termination of the Merger Agreement and Termination Fees beginning on page 106 of this joint proxy statement/prospectus. This termination fee could discourage other companies from trying to acquire Flextronics, even though those other companies might be willing to offer greater value to Flextronics shareholders than Flextronics could realize through effecting the merger.

Flextronics and Solectron are subject to contractual obligations while the merger is pending that could restrict the manner in which they operate their respective businesses.

The merger agreement restricts Solectron from making certain acquisitions and taking other specified actions without the consent of Flextronics until the merger occurs. The merger agreement also restricts Flextronics from taking certain specified actions without the consent of Solectron until the merger occurs. These restrictions may prevent Flextronics and/or Solectron from pursuing business opportunities that may arise prior to the completion of the merger. Please see the sections entitled The Merger Agreement Solectron s Conduct of Business Before Completion of the Merger

beginning on page 91 of this joint proxy statement/prospectus and The Merger Agreement Flextronics s Conduct of Business Before Completion of the Merger beginning on page 94 of this joint proxy statement/prospectus for a description of these restrictions.

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The failure of Solectron to obtain certain consents related to the merger could give third parties the right to terminate or alter existing contracts, declare a default under existing contracts, or otherwise result in liabilities of the combined company to third parties.

Certain agreements between Solectron and its lenders, suppliers, customers or other business partners require the consent or approval of these other parties in connection with the merger. Solectron has agreed to use reasonable best efforts to secure any necessary consents and approvals requested by Flextronics. However, Solectron may not be successful in obtaining all necessary consents or approvals, or if the necessary consents are obtained, they may not be obtained on favorable terms. If these consents and approvals are not obtained, the failure to have obtained such consents or approvals could give third parties the right to terminate or alter existing contracts, declare a default under existing contracts, demand payment on outstanding obligations or result in some other liability of the combined company to such third parties, which in each instance could have a material adverse effect on the business and financial condition of the combined company after the merger.

Flextronics and Solectron expect to incur significant costs associated with the merger.

Flextronics and Solectron expect to incur significant costs associated with completing the merger. Flextronics believes that it may incur charges to operations, which are not currently reasonably estimable, in the quarter in which the merger is completed or the following quarters, to reflect costs associated with integrating the businesses and operations of Flextronics and Solectron. There can be no assurance that Flextronics will not incur additional charges in subsequent quarters to reflect additional costs associated with the merger.

Risks Relating to the Combined Company Following the Merger

Flextronics may not realize the expected benefits of the merger due to difficulties integrating the businesses, operations and product lines of Flextronics and Solectron.

Flextronics believes that the acquisition of Solectron will result in certain benefits, including certain cost and operating synergies and operational efficiencies. However, Flextronics s ability to realize these anticipated benefits will depend on a successful combination of the businesses of Flextronics and Solectron. The integration process will be complex, time-consuming and expensive and could disrupt Flextronics s business if not completed in a timely and efficient manner. The combined company may not realize the expected benefits of the merger for a variety of reasons, including but not limited to the following:

- failure to demonstrate to Flextronics s and Solectron s customers and suppliers that the merger will not result in adverse changes in client service standards or business focus;
- difficulties integrating IT and financial reporting systems;
- failure to rationalize and integrate facilities quickly and effectively;
- loss of key employees during the transition and integration periods;
- revenue attrition in excess of anticipated levels; and
- failure to leverage the increased scale of the combined company quickly and effectively.

Uncertainties associated with the merger may cause a loss of employees and may otherwise materially adversely affect the businesses of Flextronics and Solectron, and the future business and operations of the combined

company.

The combined company s success after the merger will depend in part upon the ability of the combined company to retain key employees of Flextronics and Solectron. Current and prospective employees of Flextronics and Solectron may be uncertain about their roles with the combined company following the merger, which may have a material adverse affect on the ability of each of Flextronics and Solectron to attract and retain key management, sales, marketing, technical and other personnel. In addition, key employees may depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company following the merger. The loss of services of any key personnel or the inability to hire new personnel with the

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requisite skills could restrict the ability of the combined company to develop new products or enhance existing products in a timely matter, to sell products to customers or to manage the business of the combined company effectively.

The combined company s increased debt may create limitations.

Flextronics estimates that it will require up to approximately $1.9 billion to pay the cash portion of the merger consideration, including acquisition and financing related costs, assuming holders of 50% of Solectron s outstanding shares elect to receive cash or approximately $700 million less if holders of 30% of Solectron s outstanding shares elect to receive cash. In addition, upon consummation of the merger, the surviving corporation will be required to offer to repurchase Solectron s outstanding $150 million in 8.00% Senior Subordinated Notes due 2016 and $450 million in 0.5% Convertible Senior Notes due 2034 at a price of 101% and 100%, respectively, of the principal amount of the notes outstanding, plus accrued and unpaid interest up to, but excluding, the date of repurchase.

Following the acquisition, the combined company is expected to have approximately $3.3 billion (assuming 70% of Solectron s outstanding shares elect to receive Flextronics ordinary shares) to $4.0 billion (assuming 50% of Solectron s outstanding shares elect to receive cash) in total debt outstanding, and a higher debt to capital ratio than that of Flextronics on a stand-alone basis. This increased indebtedness could limit the combined company s flexibility as a result of debt service requirements and restrictive covenants, and may limit the combined company s ability to access additional capital or execute its business strategy.

Acquisitions or investments could disrupt the combined company s business, harm its financial condition and potentially dilute the ownership of its stockholders.

Each of Flextronics and Solectron has made, and the combined company may continue to make, acquisitions in order to enhance its business. Acquisitions involve numerous risks, including problems combining the purchased operations, technologies or products, unanticipated costs, diversion of management s attention from its core businesses, adverse effects on existing business relationships with suppliers and customers, risks associated with entering markets in which the combined company has no or limited prior experience and potential loss of key employees. The integration of acquired businesses has been, and will continue to be, a complex, time-consuming and expensive process. There can be no assurance that the combined company will be able to successfully integrate all of the businesses, products, technologies or personnel that it might acquire, including those acquired upon completion of the merger. If the information and communication systems, operating procedures, financial controls and human resources practices used by the combined company are not quickly and efficiently adopted by acquired businesses, the business and financial condition of the combined company may be adversely affected.

Flextronics and Solectron have also made investments in order to enhance their business and the combined company may in the future also make investments in complementary companies, products or technologies. In connection with any such investments or acquisitions, the combined company could issue stock that would dilute its then current stockholders percentage ownership, incur debt, assume liabilities, incur amortization expenses related to purchases of intangible assets, or incur large and immediate write-offs.

If the combined company does not successfully anticipate market needs and develop products and product enhancements that meet those needs, or if those products do not gain market acceptance, the combined company may not be able to compete effectively and its ability to generate revenues will suffer.

The combined company cannot ensure that it will be able to anticipate future market needs or be able to develop new products or product enhancements to meet such needs or to meet them in a timely manner. If the combined company fails to anticipate the market requirements or to develop new products or product enhancements to meet those needs,

such failure could substantially decrease market acceptance and sales of its present and future products, which would significantly harm its business and financial results. Even if the combined company is able to anticipate future market needs and develop and commercially introduce new products and enhancements to meet those needs, there can be no assurance that new products or enhancements will achieve widespread market

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acceptance. Any failure of the combined company s products to achieve market acceptance could adversely affect its business and financial results.

The combined company s products may contain defects.

The products of Flextronics, Solectron and the combined company may contain undetected defects, errors or failures. These products can only be fully tested when deployed in commercial applications and other equipment. Consequently, customers may discover errors after the products have been deployed. The occurrence of any defects, errors or failures could result in:

cancellation of orders;

product returns, repairs or replacements;

diversion of resources of the combined company;

legal actions by customers or customers end users;

increased insurance costs; and

other losses to the combined company or to customers or end users.

Any of these occurrences could also result in the loss of or delay in market acceptance of products and loss of sales, which could negatively affect the business and results of operations of the combined company. As the combined company s products become even more complex in the future, this risk may intensify over time and may result in increased expenses.

If the combined company s new product development and expansion efforts are not successful, results of operations may be adversely affected.

Each of Flextronics and Solectron is currently developing, and Flextronics expects that the combined company will continue to develop, products in new areas and the combined company may seek to expand into additional areas in the future. The efforts of the combined company to develop products and expand into new areas may not result in sales that are sufficient to recoup its investment, and it may experience higher costs than anticipated. For example, the combined company may not be able to manufacture products at a competitive cost, may need to rely on new suppliers or may find that the development efforts are more costly or time consuming than anticipated. Development of new products often requires long-term forecasting of market trends, development and implementation of new or changing technologies and a substantial capital commitment. There can be no assurance that the products that the combined company selects for investment of its financial and engineering resources will be developed or acquired in a timely manner or will enjoy market acceptance. In addition, the combined company s products may support protocols that are not widely adopted and it may have difficulties entering markets where competitors have strong market positions.

Both Flextronics s and Solectron s quarterly results are inherently unpredictable and subject to substantial fluctuations and, as a result, the combined company may fail to meet the expectations of securities analysts and investors, which could adversely affect the trading price of its common stock.

The combined company s revenues and operating results may vary significantly from quarter to quarter due to a number of factors, many of which are outside of its control and any of which may cause its stock price to fluctuate.

The factors that may impact the unpredictability of its quarterly results include limited visibility into customers spending plans, changing market conditions, including bankruptcies and similar negatives conditions and events affecting customers and potential customers, a change in the mix of customer s products, and sales and implementation cycles.

As a result, Flextronics and Solectron each believe that quarter-to-quarter comparisons of their respective operating results are not necessarily a good indication of what the combined company s future performance will be. It is likely that in some future quarters, operating results of the combined company may be below the expectations of securities analysts and investors in which case the price of Flextronics ordinary shares may decline.

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The combined company may face uncertainties related to the effectiveness of internal controls.

Public companies in the United States are required to review their internal controls over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002. Any system of controls over financial reporting, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met; however, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will achieve its stated goal under all potential future conditions, regardless of how remote.

Each of Flextronics s and Solectron s management has determined, and each of their respective independent registered public accounting firms have attested, that their respective internal controls were effective as of the end of their most recent fiscal years; however, during the course of integrating Solectron s business, deficiencies, weaknesses or needed improvements or enhancements to the internal controls of the combined company may arise or be identified. Correcting these deficiencies or weakness and implementing any needed improvements and enhancements could require the combined company to divert substantial resources, including management time, from other activities. The failure to achieve and maintain the adequacy of the combined company s disclosure controls and procedures and/or its internal controls could result in a determination by management and the combined company s independent registered public accounting firm that the combined company s internal controls are ineffective. If internal controls over financial reporting are not considered adequate, the combined company may experience a loss of public confidence, which could have an adverse effect on its business and stock price.

The combined company may take substantial restructuring charges in connection with the merger, which may have a material adverse impact on operating results.

As part of combining the two companies, Flextronics expects to incur significant restructuring costs during the year commencing with the closing of the acquisition. The financial results of the combined company may be adversely affected by cash expenditures and non-cash charges incurred in connection with the restructuring and integration activities. These costs relate to restructuring and integration activities centered around the global footprint rationalization and elimination of redundant assets or unnecessary functions and include retention bonuses, the amounts of which cannot be currently estimated as management of Flextronics has not yet determined all of the restructuring activities. Certain liabilities associated with these restructuring activities will be recorded as liabilities assumed from Solectron, with a corresponding increase in goodwill and no impact on operating results. Further, Flextronics and Solectron have historically recognized substantial restructuring and other charges resulting from reduced workforce and capacity at higher-cost locations, and the consolidation and closure of several manufacturing facilities, including related impairment of certain long-lived assets. If the combined company is required to take additional restructuring charges in the future, it could have a material adverse impact on operating results, financial position and the cash flows of the combined company.

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PARTIES TO THE MERGER

Flextronics International Ltd.

Flextronics International Ltd., referred to in this joint proxy statement/prospectus as Flextronics, is a leading provider of advanced design and electronics manufacturing services (EMS) to original equipment manufacturers (OEMs) in the following markets:

- computing, which includes products such as desktop, handheld and notebook computers, electronic games and servers;
- mobile communication devices, which includes handsets operating on a number of different platforms such as GSM, CDMA, TDMA and WCDMA;
- consumer digital devices, which includes products such as set top boxes, home entertainment equipment, printers, copiers and cameras;
- industrial, semiconductor and white goods, which includes products such as home appliances, industrial meters, bar code readers and test equipment;
- automotive, marine and aerospace, which includes products such as navigation instruments, radar components and instrument panel and radio components;
- telecommunications infrastructure, which includes products such as cable modems, cellular base stations, hubs and switches; and
- medical devices, which includes products such as drug delivery, diagnostic and telemedicine devices.

Flextronics is one of the world s largest EMS providers, with revenues from continuing operations of $18.9 billion in fiscal year 2007. As of March 31, 2007, Flextronics s total manufacturing capacity was approximately 17.7 million square feet in over 30 countries across four continents. Flextronics has established an extensive network of manufacturing facilities in the world s major electronics markets (Asia, the Americas and Europe) in order to serve the growing outsourcing needs of both multinational and regional OEMs. In fiscal year 2007, Flextronics s net sales in Asia, the Americas and Europe represented 61%, 22% and 17% of its total net sales, respectively.

Flextronics s portfolio of customers consists of many of the technology industry s leaders, including Casio, Cisco Systems, Dell, Eastman Kodak, Ericsson, Hewlett-Packard, Kyocera, Microsoft, Motorola, Nortel, Sony-Ericsson and Xerox.

Flextronics is a globally recognized leading provider of end-to-end, vertically integrated global supply chain services through which it designs, builds, and ships a complete packaged product for its OEM customers. These vertically integrated services increase customer competitiveness by delivering improved product quality, leading manufacturability, improved performance, faster time-to-market and reduced costs. Flextronics remains firmly committed to the competitive advantage of vertical-integration, along with the continuous development of its design capabilities in each of Flextronics s major product categories. Flextronics s OEM customers leverage its services to meet their requirements throughout their products entire product life cycle. Flextronics s services include:

printed circuit board and flexible circuit fabrication;

systems assembly and manufacturing;

logistics;

after-sales services;

design and engineering services;

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original design manufacturing (ODM) services; and

components design and manufacturing.

Flextronics believes that these vertically integrated capabilities provide it with a competitive advantage in the market for designing and manufacturing electronic products for leading multinational and regional OEMs. Through these services and capabilities, Flextronics simplifies the global product development process and provides meaningful time and cost savings for its customers.

Flextronics was incorporated in the Republic of Singapore in May 1990. Its registered office address is located at One Marina Boulevard, #28-00, Singapore 018989, and its U.S. corporate headquarters is located at 2090 Fortune Drive, San Jose, California, 95131. Flextronics s website is located at *www.flextronics.com*. Information contained on this website does not constitute part of this joint proxy statement/prospectus.

Solectron Corporation

Solectron Corporation, referred to in this joint proxy statement/prospectus as Solectron, provides electronics manufacturing and supply chain services to OEMs around the world. As a value-added contract manufacturing partner to OEMs, Solectron contracts with its customers to build the customer s products or to provide services related to product design, manufacturing and post-manufacturing requirements. Solectron designs, builds, repairs and services products that carry the brand names of its customers.

Solectron serves several electronics products and technology markets. Much of Solectron s business is related to the following products:

computing and storage equipment, including servers, storage systems, workstations, notebooks and peripherals;

networking equipment such as routers and switches that move traffic across the Internet;

communications equipment, including wireless and wireline infrastructure products;

consumer products such as set-top boxes and personal/handheld communications devices;

automotive electronics systems, such as audio and navigation systems, system control modules and body electronics;

industrial products, including semiconductor manufacturing and test equipment, wafer fabrication equipment controls, process automation equipment, interactive and self-service kiosks, appliance electronics controls, instrumentation and industrial controls;

medical products such as X-ray equipment, ultrasound fetal monitors, MRI scanners, blood analyzers, insulin delivery devices, ECG patient monitors, surgical robotic systems, HPLCs, spectrometers and laser surgery equipment; and

other electronics equipment and products.

Solectron s customer base consists of many of the world s leading technology companies, such as Cisco Systems, Ericsson, Hewlett-Packard, IBM, Lucent Technologies, Motorola, NCR, NEC, Nortel Networks, Pace, Sun

Microsystems and Teradyne.

Solectron s comprehensive range of services are designed to meet customer supply chain needs throughout the product life cycle. Solectron s services include:

product design;

collaborative design;

product launch/NPI (new product introduction);

DFX (design for manufacturability) services;

PCBA (printed circuit board assembly) and subsystem manufacturing;

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systems integration and test;

parts management;

inventory management;

forward/reverse logistics;

repair;

recovery/remarketing; and

feedback to design and manufacturing for quality/serviceability.

Solectron customizes these services to deliver integrated supply chain solutions to its customers. Solectron offers services that it believes will allow its customers to achieve cost, time and quality advantages that improve their competitiveness and enable them to focus on their core competencies of sales, marketing and research and development. Solectron believes that its services also allow customers to reduce or shift costs and risks associated with manufacturing and supply chain management.

Solectron was first incorporated in California in August 1977 and was reincorporated in Delaware in February 1997. Solectron s principal executive offices are located at 847 Gibraltar Drive, Milpitas, California 95035, and its telephone number is (408) 957-8500. Solectron s website address is *www.solectron.com*. Information contained in this website does not constitute part of this joint proxy statement/prospectus.

Acquisition Subsidiaries

Saturn Merger Corp. is a wholly-owned subsidiary of Flextronics formed on May 29, 2007. Flextronics formed Saturn Merger Corp. solely to effect the merger, and Saturn Merger Corp. has not conducted any business during the period of its existence.

Saturn Merger II Corp. is a wholly-owned subsidiary of Flextronics formed on June 29, 2007. Flextronics formed Saturn Merger II Corp. solely to effect the second-step merger, and Saturn Merger II Corp. has not conducted any business during any period of its existence.

THE FLEXTRONICS ANNUAL GENERAL MEETING

General

Flextronics is furnishing this joint proxy statement/prospectus in connection with the solicitation by the board of directors of Flextronics of proxies to be voted at the 2007 annual general meeting of Flextronics shareholders, or at any adjournments thereof, for the purposes set forth in the notice of annual general meeting that accompanies this joint proxy statement/prospectus.

Date, Time and Place

The 2007 annual general meeting of Flextronics shareholders will be held on September 27, 2007 at 10:00 a.m. California Time at Flextronics s principal U.S. offices, 2090 Fortune Drive, San Jose, California, 95131.

Items of Business

At the Flextronics annual general meeting, Flextronics shareholders will be asked to consider and vote upon the following proposals:

To authorize the directors of Flextronics to allot and issue ordinary shares pursuant to the Agreement and Plan of Merger, dated as of June 4, 2007, entered into among Flextronics, Saturn Merger Corp., a wholly-owned subsidiary of Flextronics, and Solectron Corporation (*Proposal 1*);

To re-elect the following directors: James A. Davidson and Lip-Bu Tan (*Proposal 2*);

To re-appoint Mr. Rockwell A. Schnabel as a director of Flextronics (*Proposal 3*);

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To approve the re-appointment of Deloitte & Touche LLP as Flextronics s independent auditors for the 2008 fiscal year (*Proposal 4*) and to authorize the board of directors upon the recommendation of the Audit Committee, to fix its remuneration;

To approve a general authorization for the directors of Flextronics to allot and issue ordinary shares (*Proposal 5*);

To approve the cash compensation payable to Flextronics s non-employee directors (*Proposal 6*);

To approve the renewal of the Share Purchase Mandate relating to acquisitions by Flextronics of its own issued ordinary shares (*Proposal 7*); and

To approve amendments to Flextronics s 2001 Equity Incentive Plan relating to: (a) a 5,000,000-share increase in the sub-limit on the maximum number of ordinary shares which may be issued as stock bonus awards and (b) a 10,000,000-share increase in the share reserve (*Proposals 8 and 9*).

Record Date; Shareholders Entitled to Vote

The close of business on August 6, 2007 is the record date for shareholders entitled to notice of the 2007 annual general meeting of Flextronics. All of the ordinary shares issued and outstanding on September 27, 2007, the date of the annual general meeting, are entitled to be voted at the annual general meeting, and shareholders of record on September 27, 2007 and entitled to vote at the meeting will, on a poll, have one vote for each ordinary share so held on the matters to be voted upon. As of August 6, 2007, Flextronics had 609,297,816 ordinary shares issued and outstanding.

Quorum and Required Vote

Representation at the annual general meeting of at least 331/3% of all issued and outstanding Flextronics ordinary shares is required to constitute a quorum.

The affirmative vote by a show of hands of at least a majority of the shareholders present and voting at the 2007 annual general meeting, or, if a poll is demanded by the chair or by holders of at least 10% of the total number of Flextronics s paid-up shares in accordance with Flextronics s Articles of Association, a simple majority of the shares voting at the 2007 annual general meeting, is required to re-elect and re-appoint the Directors nominated pursuant to Flextronics Proposal Nos. 2 and 3, to re-appoint Deloitte & Touche LLP as Flextronics s independent registered public accounting firm pursuant to Flextronics Proposal 4 and to approve the ordinary resolutions contained in Flextronics Proposal Nos. 5, 6 and 7. The affirmative vote of the holders of a majority of all issued and outstanding shares voting in person or by proxy at the 2007 annual general meeting is required to approve Flextronics Proposal Nos. 1, 8 and 9.

Eleven directors and executive officers of Flextronics, who together beneficially own approximately 3.70% of Flextronics ordinary shares outstanding as of the record date, have agreed to vote in favor of Proposal No. 1, authorizing the directors of Flextronics to issue Flextronics ordinary shares pursuant to the merger agreement. See the section entitled Solectron Proposal No. 1 and Flextronics Proposal No. 1 The Voting Agreements Flextronics Voting Agreement beginning on page 110 of this joint proxy statement/prospectus.

Abstentions and broker non-votes are considered present and entitled to vote at the 2007 annual general meeting for purposes of determining a quorum. A broker non-vote occurs when a broker or other holder of record who holds shares for a beneficial owner does not vote on a particular proposal because the record holder does not have

discretionary power to vote on that particular proposal and has not received directions from the beneficial owner. If a broker or nominee indicates on the proxy card that it does not have discretionary authority to vote as to a particular matter, those shares will not be counted in the tabulation of the votes cast on proposals presented to shareholders.

If a shareholder is a beneficial owner, his or her broker has authority to vote the shareholder s shares for or against certain routine matters, even if the broker does not receive voting instructions from the shareholder. Routine matters include all of the proposals to be voted on at the 2007 annual general meeting, other than the proposal to authorize the directors to issue Flextronics ordinary shares pursuant to the merger and the proposals to amend Flextronics s 2001 Equity Incentive Plan.

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Proxies; Revocation

Ordinary shares represented by proxies in the accompanying form which are properly executed and returned to Flextronics will be voted at the 2007 annual general meeting in accordance with the shareholders instructions. Any shareholder of record has the right to revoke his or her proxy at any time prior to voting at the 2007 annual general meeting by (i) submitting a subsequently dated proxy or (ii) by attending the meeting and voting in person.

In the absence of contrary instructions, Flextronics ordinary shares represented by proxies will be voted FOR the board nominees in Flextronics Proposal Nos. 2 and 3 and FOR Flextronics Proposal Nos. 1 and 4 through 9. Management of Flextronics does not know of any matters to be presented at the 2007 annual general meeting other than those set forth in this joint proxy statement/prospectus and in the accompanying notice. If other matters should properly come before the meeting, the proxy holders will vote on such matters in accordance with their best judgment.

Costs of Solicitation

Flextronics and Solectron will share equally all fees and expenses incurred in connection with the filing, printing and mailing of this joint proxy statement/prospectus and the registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part. All other costs of soliciting proxies for the Flextronics annual general meeting will be borne by Flextronics. Following the original mailing of this joint proxy statement/prospectus and other soliciting materials, directors, officers and employees of Flextronics may also solicit proxies from Flextronics shareholders by mail, telephone, e-mail, fax or in person. These directors, officers and employees will not receive additional compensation for those activities, but they may be reimbursed for any reasonable out-of-pocket expenses. Following the original mailing of this joint proxy statement/prospectus and other soliciting materials, Flextronics will request that brokers, custodians, nominees and other record holders of its ordinary shares forward copies of the joint proxy statement/prospectus and other soliciting materials to persons for whom they hold ordinary shares and request authority for the exercise of proxies. In these cases, Flextronics will reimburse such holders for their reasonable expenses if they ask that Flextronics do so. Flextronics has retained Georgeson Inc., an independent proxy solicitation firm, to assist in soliciting proxies at an estimated fee of $10,000, plus reimbursement of reasonable expenses.

Financial Statements

Flextronics s Annual Report on Form 10-K for the fiscal year ended March 31, 2007, which was filed with the SEC on May 29, 2007, includes Flextronics s audited consolidated financial statements, prepared in conformity with accounting principles generally accepted in the United States of America, or U.S. GAAP, together with the Independent Registered Public Accounting Firm s Report of Deloitte & Touche LLP, Flextronics s independent registered public accounting firm for the fiscal year ended March 31, 2007. Flextronics publishes its U.S. GAAP financial statements in U.S. dollars, which is the principal currency in which Flextronics conducts its business.

Flextronics has prepared, in accordance with Singapore law, Singapore statutory financial statements, which are included with the annual report which will be delivered to shareholders of Flextronics prior to the date of the 2007 annual general meeting. Except as otherwise stated herein, all monetary amounts in this joint proxy statement/prospectus have been presented in U.S. dollars.

Flextronics s Singapore statutory financial statements include:

- Flextronics s consolidated financial statements (which are identical to those included in the Annual Report on Form 10-K, described above);

supplementary financial statements (which reflect solely Flextronics s standalone financial results, with the company s subsidiaries accounted for under the equity method rather than consolidated);

a Directors Report; and

the Independent Auditors Report of Deloitte & Touche, Flextronics s Singapore statutory auditors for the fiscal year ended March 31, 2007.

Flextronics s Registered Office

The mailing address of Flextronics s registered office is One Marina Boulevard, #28-00, Singapore 018989.

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THE SPECIAL MEETING OF SOLECTRON STOCKHOLDERS

Date, Time and Place

The special meeting of Solectron stockholders will be held at 8:00 a.m., California Time, on September 27, 2007 at Solectron s principal executive offices, 847 Gibraltar Drive, Building 5, Milpitas, California 95035.

Check-in will begin at 7:30 a.m. and Solectron stockholders should allow ample time for the check-in procedures.

Items of Business

At the Solectron special meeting, Solectron stockholders will be asked to consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of June 4, 2007, by and among Flextronics, Saturn Merger Corp. and Solectron and to approve the adjournment of the special meeting, if necessary, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the adoption of the merger agreement. Solectron currently does not contemplate that any other matters will be presented at the Solectron special meeting.

Admission to the Special Meeting

Only Solectron stockholders, including joint holders, as of the close of business on August 6, 2007, the record date for the Solectron special meeting, and other persons holding valid proxies for the special meeting are entitled to attend the Solectron special meeting. Solectron stockholders and their proxies who wish to attend the special meeting should be prepared to present photo identification at the meeting. In addition, Solectron stockholders who are record holders will have their ownership verified against the list of record holders as of the record date prior to being admitted to the meeting. Solectron stockholders who are not record holders but hold shares through a broker or nominee (i.e., in street name) should provide proof of beneficial ownership on the record date, such as their most recent account statement prior to August 6, 2007, or other similar evidence of ownership. Anyone who does not provide photo identification or comply with the other procedures outlined above upon request will not be admitted to the special meeting.

Method of Voting; Record Date; Stock Entitled to Vote

Solectron stockholders are being asked to vote both shares held directly in their name as stockholders of record and any shares they hold in street name as beneficial owners. Shares held in street name are shares held in a stock brokerage account or shares held by a bank or other nominee.

The method of voting differs for shares held as a record holder and shares held in street name. Record holders will receive proxy cards, as further described below under Voting Procedures. Holders of shares in street name will receive voting instruction cards from their broker or nominee in order to instruct their brokers or nominees how to vote.

Proxies are being solicited from Solectron stockholders on behalf of the Solectron board of directors in connection with the special meeting that is being held to consider and vote upon a proposal to adopt the merger agreement.

Stockholders may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, stockholders who hold shares in more than one brokerage account may receive a separate voting instruction card for each brokerage account in which shares are held. Stockholders of record whose shares are registered in more than one name will receive more

than one proxy card. In addition, Flextronics is also soliciting votes for its annual general meeting and stockholders who own shares of both Solectron and Flextronics will also receive a proxy or voting instruction card from Flextronics. A vote for the issuance of Flextronics ordinary shares in connection with the merger at the Flextronics annual general meeting will not constitute a vote for the adoption of the merger agreement at the Solectron special meeting, and vice versa. Therefore, the Solectron board of directors urges Solectron stockholders to complete, sign, date and return each proxy card and voting instruction card they receive for the Solectron special meeting.

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Only stockholders of Solectron at the close of business on August 6, 2007, the record date for the Solectron special meeting, are entitled to receive notice of, and vote at, the Solectron special meeting and any adjournment or postponement of such meeting. On the record date, approximately 901,939,093 shares of Solectron common stock were issued and outstanding and held of record by approximately 7,156 holders, and one share of Series B Preferred Stock was issued and outstanding and held of record by Computershare Trust Company of Canada, as trustee for the holders of 13,377,929 outstanding exchangeable shares of Solectron Global Services Canada Inc., a wholly-owned indirect subsidiary of Solectron, held by holders other than Solectron, any of its subsidiaries or other affiliates. The holders of Solectron common stock and the holder of the one share of Series B Preferred Stock will vote together as a class. Holders of Solectron common stock on the record date are each entitled to one vote per share of Solectron common stock on the proposals to adopt the merger agreement and to adjourn the special meeting, if necessary, to solicit additional proxies. The holder of the outstanding share of Series B Preferred Stock is entitled to a number of votes on these proposals with respect to the share of Series B Preferred Stock equal to the number of issued and outstanding exchangeable shares of Solectron Global Services Canada Inc. as of the record date for this meeting that are not owned by Solectron, any of its subsidiaries or other affiliates. Holders of record of exchangeable shares of Solectron Global Services Canada Inc. (other than exchangeable shares held by Solectron, its subsidiaries and its affiliates) at the close of business on the record date will be entitled to notice of the special meeting and to direct the vote of Computershare Trust Company of Canada with respect to one vote for each exchangeable share held. A complete list of Solectron stockholders entitled to vote at the Solectron special meeting will be available for inspection at the executive offices of Solectron during regular business hours for a period of no less than ten days prior to the Solectron special meeting.

Holders of exchangeable shares should refer to materials enclosed with this joint proxy statement/prospectus, as well as the information contained in Annex F attached to this joint proxy statement/prospectus, informing such holders of their rights with respect to directing the voting of the votes attributable to the one share of Series B Preferred Stock, including deadlines for submitting and revoking proxies.

Quorum; Abstentions; Broker Non-Votes

A quorum of stockholders is necessary to have a valid meeting of Solectron stockholders. A majority of the total voting power represented by the shares of Solectron common stock (each share of Solectron common stock represents one vote) and the one share of Series B Preferred Stock (which represents a number of votes equal to the number of issued and outstanding exchangeable shares as of the record date for this meeting that are not owned by Solectron, any of its subsidiaries or their affiliates) issued and outstanding on the Solectron record date, counted together as a single class, must be present in person or by proxy at the Solectron special meeting in order for a quorum to be established. In the event that a quorum is not present at the Solectron special meeting, it is expected that the meeting will be adjourned to solicit additional proxies.

Abstentions and broker non-votes count as present for establishing the quorum described above. A broker non-vote occurs when the broker has not received instructions from the beneficial owner of the shares as to how to vote the shares. It is expected that brokers, banks and other nominees, in the absence of instructions from the beneficial owners of shares of Solectron common stock, will not have discretionary voting authority to vote those shares on the proposal to adopt the merger agreement. Because adoption of the merger agreement requires the affirmative vote of a majority of the aggregate voting power of the outstanding shares of Solectron common stock and the one share of Series B Preferred Stock, voting together as a class (with the holder of the outstanding share of Series B Preferred Stock entitled to a number of votes with respect to such share equal to the number of issued and outstanding exchangeable shares of Solectron Global Services Canada Inc. as of the record date for this meeting that are not owned by Solectron, any of its subsidiaries or their affiliates), any Solectron stockholder that abstains, does not vote on the merger proposal or that fails to instruct their broker on how to vote shares of Solectron common stock held for on such stockholder s

behalf by the broker will have the same effect as a vote against the adoption of the merger agreement. Similarly, any stockholder that holds exchangeable shares of Solectron Global Services Canada Inc. that fails to instruct Computershare Trust Company of Canada on how to vote the one share of Series B Preferred Stock will have the same effect as a vote against the adoption of the merger agreement.

Adjournment

If a quorum is not present at the Solectron special meeting, Solectron s bylaws provide that any adjournment of the Solectron special meeting may be made by the Solectron stockholders entitled to vote thereat, present in person

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or by proxy, without notice other than announcement at the meeting, until a quorum is present. When a meeting is adjourned to another time or place, notice of the adjourned meeting need not be given as long as the time and place thereof are announced at the meeting at which the adjournment is taken and provided the adjournment is not for more than thirty days.

Required Vote

The adoption of the merger agreement will require the affirmative vote of the holders of a majority of the aggregate voting power of the outstanding shares of Solectron common stock and the one share of Series B Preferred Stock, voting together as a single class. The proposal to adjourn the special meeting, if necessary, to solicit additional proxies requires the affirmative vote of a majority of the votes cast by Solectron stockholders present in person or represented by proxy at the special meeting. Eighteen directors and executive officers of Solectron, who together hold approximately 0.77% of Solectron common stock outstanding as of the record date (including the outstanding exchangeable shares), have agreed to vote in favor of the merger. See the section entitled Solectron Proposal No. 1 and Flextronics Proposal No. 1 The Voting Agreements Solectron Voting Agreement beginning on page 109 of this joint proxy statement/prospectus.

Share Ownership of Directors and Executive Officers of Solectron

As of the record date, directors and executive officers of Solectron owned and were entitled to vote approximately 0.77% of the shares of Solectron common stock outstanding on that date (including the outstanding exchangeable shares).

Voting Procedures

Submitting Proxies or Voting Instructions

Whether Solectron stockholders hold shares of Solectron common stock directly as stockholders of record or in street name, Solectron stockholders may direct the voting of their shares without attending the Solectron special meeting. Solectron stockholders may vote shares held directly by granting proxies or, for shares held in street name, by submitting voting instructions to their brokers or nominees.

Record holders of shares of Solectron common stock may submit proxies by completing, signing and dating their proxy cards for the Solectron special meeting and mailing them in the accompanying pre-addressed envelopes. Solectron stockholders who hold shares in street name may vote by mail by completing, signing and dating the voting instruction cards for the Solectron special meeting provided by their respective brokers and nominees and mailing them as instructed by their respective brokers and nominees.

If Solectron stockholders of record do not include instructions on how to vote their properly signed proxy cards for the Solectron special meeting and do not revoke their proxies, their shares will be voted FOR the proposals to approve the adoption of the merger agreement and to adjourn the special meeting, if necessary, to solicit additional proxies, and (to the extent allowed by applicable law) in the discretion of the proxy holders on any other business that may properly come before the Solectron special meeting or any adjournment or postponement thereof.

If Solectron stockholders holding shares of Solectron common stock in street name do not provide voting instructions to their broker, bank or other nominees, their shares cannot be voted in favor of the proposal to adopt the merger agreement or the proposal to adjourn the special meeting, if necessary, to solicit additional votes and will therefore have the same effect as a vote against the proposals.

Stockholders of record of Solectron common stock may also vote in person at the Solectron special meeting by submitting their proxy cards or by filling out a ballot at the special meeting.

If shares of Solectron common stock are held by Solectron stockholders in street name, those Solectron stockholders may not vote their shares in person at the Solectron special meeting unless they bring a signed proxy from the record holder giving them the right to vote their shares and fill out a ballot at the special meeting.

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All Solectron stockholders may also vote their shares via the Internet or by telephone. When voting by Internet, Solectron stockholders may transmit their voting instructions for electronic delivery of information up until 11:59 p.m. New York City Time on September 26, 2007. Solectron stockholders should have their proxy cards in hand when they access the web site and follow the instructions to obtain their records and to create an electronic voting instruction form. When voting by telephone, Solectron stockholders may use any touch-tone telephone to transmit their voting instructions up until 11:59 p.m. New York City Time on September 26, 2007. Solectron stockholders should have their proxy card in hand when they call and follow the instructions.

Holders of exchangeable shares should refer to materials enclosed with this joint proxy statement/prospectus, as well as the information contained in Annex F attached to this joint proxy statement/prospectus, which contain information regarding the rights of such holders with respect to directing the voting of the votes attached to the one share of Series B Preferred Stock including deadlines for submitting and revoking proxies.

Revoking Proxies or Voting Instructions

Solectron stockholders may change their votes at any time prior to the vote at the Solectron special meeting. Solectron stockholders of record may change their votes by granting new proxies bearing a later date (which automatically revoke the earlier proxies) or by attending the Solectron special meeting and voting in person. Attendance at the Solectron special meeting in and of itself will not cause previously granted proxies to be revoked, unless Solectron stockholders specifically so request. For shares held in street name, Solectron stockholders may change their votes by submitting new voting instructions to their brokers or nominees or by attending the Solectron special meeting and voting in person, provided that they have obtained a signed proxy from the record holder giving them the right to vote their shares.

Proxy Solicitation

Flextronics and Solectron will share equally all fees and costs associated with printing and filing this joint proxy statement/prospectus and the registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, that has been filed with the SEC. Other than the costs shared with Flextronics noted above, the cost of soliciting proxies from Solectron stockholders will be paid by Solectron.

In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person or by telephone, facsimile, telegram or electronic means by Solectron s directors, officers and employees, who will not receive any additional compensation for such solicitation activities.

Solectron has retained Innisfree M&A Incorporated to assist it in the solicitation of proxies. Solectron estimates that its proxy solicitor fees will be approximately $25,000 plus out-of-pocket expenses.

Contact for Questions and Assistance in Voting

Any Solectron stockholder who has a question about the merger, or how to vote or revoke a proxy, or who wishes to obtain additional copies of this joint proxy statement/prospectus, should contact:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York, 10022
Toll Free from within the
United States and Canada: (877) 825-8971

Banks and Brokers call collect: (212) 750-5833

Other Matters

Solectron is not aware of any other business to be acted upon at the Solectron special meeting. Solectron s bylaws also provide that no matter may be brought before a special meeting which is not stated in the notice of the special meeting.

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SOLECTRON PROPOSAL NO. 1 AND FLEXTRONICS PROPOSAL NO. 1

THE MERGER

The following is a description of the material aspects of the merger, including the merger agreement. While Flextronics and Solectron believe that the following description covers the material terms of the merger, the description may not contain all of the information that is important to you. For a more complete understanding of the merger, Flextronics and Solectron encourage you to read carefully this entire joint/proxy statement prospectus, including (i) the merger agreement attached to this joint proxy statement/prospectus as Annex A-1, which is the merger agreement for the first step of the integrated two-step merger or, if applicable, for the single step merger, and (ii) the merger agreement attached to this joint proxy statement/prospectus as Annex A-2, which is the merger agreement for the second step of the integrated two-step merger.

Background of the Merger

Flextronics and Solectron are both global providers of advanced design and vertically integrated electronics manufacturing services. Each company routinely evaluates business alternatives and strategic opportunities as part of their ongoing evaluation of developments in the marketplace, and participates in discussions with third parties regarding possible transactions.

On December 15, 2006, in order to educate itself on the range of alternatives potentially available to the company, Solectron management requested representatives of Goldman, Sachs & Co., referred to in this joint proxy statement/prospectus as Goldman Sachs, to make a presentation to management regarding the EMS industry generally, Solectron s current operations and prospects, and strategic alternatives potentially available to the company. The strategic alternatives that Goldman Sachs discussed with management included (i) continuing as a standalone company and executing on its current objectives (as articulated in Solectron s investor presentation in November 2006), (ii) acquiring other companies, (iii) engaging in a going private transaction through a leveraged buyout, and (iv) a strategic business combination transaction.

On January 9, 2007, during a regularly scheduled meeting of the Solectron board, representatives of Goldman Sachs made a presentation to the board of directors regarding the EMS industry generally, and gave an overview of various strategic alternatives potentially available to Solectron, including the potential benefits and risks to Solectron and its stockholders associated with those alternatives. The strategic alternatives Goldman Sachs discussed with management included continuing as a standalone company and executing on its current plan, pursuing an acquisition strategy focused on end market diversification, pursuing an acquisition strategy focused on the acquisition of vertical assets and capabilities, a merger with a top tier EMS company and a leveraged buyout. At the conclusion of this board meeting and after discussion among the Solectron board, the Solectron board authorized Mr. Paul Tufano, Executive Vice President and Interim President and Chief Executive Officer of Solectron, to explore strategic alternatives for Solectron, including the potential acquisition of Solectron by a third party.

On March 19, 2007, Mr. Michael M. McNamara, Chief Executive Officer of Flextronics, and Mr. Tufano met and discussed the EMS industry generally and a potential combination between their companies. During this meeting, Messrs. McNamara and Tufano agreed to designate a member of their respective business teams to meet periodically to explore the viability of a business combination between the two companies and the potential synergies and opportunities that could be realized in such a transaction. Mr. Paul Read, Senior Vice President of Worldwide Operations of Flextronics, and Mr. Robert DeVincenzi, Senior Vice President of Corporate Development at Solectron, were appointed as the designees. Following the March 19 meeting, Mr. Tufano informed the members of the

Solectron board of the meeting he had with Mr. McNamara and the follow-up discussions that would be occurring between Mr. Read and Mr. DeVincenzi.

On April 3, 2007, Flextronics and Solectron executed a mutual confidentiality agreement covering the discussions between the companies and any material that might be exchanged by the companies.

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On April 4, 2007, Mr. Read and Mr. DeVincenzi met for the first time. During the meeting, they discussed the process of data exchange between the two companies and identified subject areas to be reviewed in order to assess whether a business combination could be viable.

From April 10, 2007 through April 12, 2007, the Solectron board held a regularly scheduled meeting. During the course of the meeting, representatives of Goldman Sachs met with the board and made a presentation regarding the EMS industry generally, Solectron, its prospects and its position in the industry, industry trends, Solectron s risks and opportunities, and potential strategic alternatives available to the company. At the time of its presentation, the Goldman Sachs representatives were not aware of the meetings that had taken place between Solectron and Flextronics. The Goldman Sachs representatives then reviewed various strategic alternatives potentially available to Solectron. As part of this review, representatives of Goldman Sachs private equity group provided a detailed analysis of the EMS industry and Solectron s position within the industry. Following the presentation by the Goldman Sachs private equity group, the Goldman Sachs representatives discussed other potential strategic alternatives and evaluated potential partners for a business combination transaction.

At the conclusion of the Goldman Sachs presentation, Mr. Tufano indicated that he concurred with many of the conclusions and opinions expressed by Goldman Sachs. Mr. Tufano updated the board on his recent discussion with Mr. McNamara, and indicated that Flextronics had recently expressed an interest in exploring a business combination between the two companies, although the discussions were preliminary and no price or structure had been discussed. The Solectron board authorized Mr. Tufano to explore the level of Flextronics s interest in pursuing a combination of the two companies.

On April 13, 2007, April 16, 2007 and April 18, 2007, Mr. Read and Mr. DeVincenzi met to continue the exchange of information and to explore the viability of a business combination between Solectron and Flextronics. A principal focus of these meetings was to review potential synergies that could be realized from such a transaction.

On April 20, 2007, Mr. Tufano and Mr. McNamara met to review the efforts of Mr. Read and Mr. DeVincenzi to date and to discern the level of interest held by each company in pursuing a potential transaction.

On April 23, 2007, Mr. McNamara and Mr. Thomas J. Smach, the Chief Financial Officer of Flextronics, briefed individual Flextronics board members about the status of the merger discussions with Solectron.

On April 25, 2007, Flextronics delivered a letter of intent to Solectron management, which proposed a merger transaction whereby Solectron would be acquired by Flextronics. The letter of intent did not contain a price, nor was it specific as to whether the consideration would be paid in cash or stock. The letter of intent included an exclusivity provision. Solectron did not sign the letter of intent.

On April 27, 2007, the board of directors of Solectron held a special meeting. Mr. Tufano updated the board concerning the meetings and discussions between Solectron management and representatives of Flextronics concerning the viability of a potential business combination transaction between the two companies. Mr. Tufano noted that on the basis of the work performed and the continuing interest expressed by Flextronics, it appeared that Flextronics was interested in further exploring such a transaction and that the potential benefits of such a transaction could be significant. Mr. Tufano noted that if the board was interested in having management pursue further discussions, management felt that it would be appropriate for the board to engage both a financial advisor and outside legal counsel to advise the board on the process and enable the board to determine effectively whether or not such a transaction was in the best interest of the company s stockholders. The board determined, that based on information obtained to date, including the strategic analysis of Solectron s current risks, opportunities and prospects and the potential benefits to Solectron and its stockholders that could be achieved from such a combination, it would be in the best interest of the stockholders to further explore the possibility of a business combination between Flextronics and

Solectron and that retention of financial and outside legal advisors was warranted. The board discussed retaining various advisors and, based on the quality of the work done by Goldman Sachs to date and Goldman Sachs familiarity with Solectron and the EMS industry, decided to retain Goldman Sachs as financial advisor to the company. The board also decided to retain the company s regular outside corporate counsel, Wilson Sonsini Goodrich and Rosati, Professional Corporation, referred to in this joint proxy statement/prospectus as WSGR, as the company s outside legal advisor in exploring any transaction.

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On April 30, 2007, Mr. Smach and Mr. DeVincenzi had a conference call to discuss the investment banking advisors of each company and the participation of the investment banking firms in the process.

Effective April 30, 2007, Flextronics engaged Citigroup Global Markets Inc., referred to in this joint proxy statement/prospectus as Citigroup, as its financial advisor in connection with the proposed merger.

On May 1, 2007, the Flextronics board of directors held a meeting at which the board reviewed the status of the merger discussions with Solectron. During this meeting, Mr. McNamara presented his views on the expected benefits of a merger with Solectron. The board determined that management should continue discussions with Solectron and appointed a special acquisition committee comprised of Messrs. James A. Davidson, Michael E. Marks and Ajay B. Shah to receive periodic updates from management about the progress of discussions, evaluate any acquisition proposals and provide the full board with updates and recommendations.

On May 1, 2007, Mr. Read and Mr. DeVincenzi met to continue their discussions concerning the financial analysis materials prepared by the companies respective financial advisors.

On May 1, 2007, the companies began exchanging due diligence materials and conducting due diligence investigations of each other. The due diligence review, which involved the exchange of information and numerous calls and meetings between members of management of the two companies and their financial and legal advisors, continued through June 3, 2007.

On May 2, 2007, representatives of Solectron and Flextronics met at the offices of WSGR. Representatives of WSGR were present in person at the meeting, and representatives of Curtis, Mallet-Prevost, Colt & Mosle LLP, referred to in this joint proxy statement/prospectus as CM-P, Flextronics s outside legal advisor, attended the meeting by conference call. The parties discussed a potential transaction timeline and the reciprocal due diligence review to be conducted by each side.

On May 4, 2007, the board of directors of Solectron held a special meeting at which representatives of WSGR gave a presentation concerning the board s fiduciary duties in the context of a possible combination between Flextronics and Solectron.

On May 9, 2007, Messrs. McNamara and Smach updated members of the Flextronics special acquisition committee about the progress of the company s valuation analysis of Solectron and the possible range of financial terms for a transaction.

On May 13, 2007, Mr. McNamara and Mr. Tufano met to discuss the progress of discussions, the due diligence review conducted to date and the possible structure and financial terms of a transaction. Following the meeting, Mr. Tufano spoke by telephone with Mr. Smach to discuss the structure and financial terms of the potential transaction.

On May 14, 2007, members of Flextronics and Solectron management, and representatives of Goldman Sachs and Citigroup, met at the offices of WSGR to negotiate the terms of the potential transaction, including valuation.

On May 16, 2007, Messrs. McNamara and Smach held a conference call with the Flextronics special acquisition committee to discuss the valuation and structure of the proposed merger. The committee authorized management to propose a letter of intent to Solectron which included a fixed purchase price of $3.80 per share, and providing for maximum caps of 60% stock consideration and 50% cash consideration.

On May 16, 2007, Citigroup, on behalf of Flextronics, delivered a proposed letter of intent to Goldman Sachs that outlined certain terms for the acquisition of Solectron by Flextronics. The proposed terms included a fixed purchase price of $3.80 per share, which represented an implied exchange ratio of 0.334 based on the closing price of Flextronics s shares on May 16, 2007, and a premium of 13.8% to the closing price of Solectron s stock on May 16, 2007; the right of Solectron s stockholders to elect to receive cash or stock as consideration, subject to maximum caps of 60% stock consideration and 50% cash consideration; and an exclusivity period that would extend until June 15, 2007. Solectron did not sign the letter of intent.

On May 17, 2007, the Solectron board met to discuss the letter of intent and the status of discussions with Flextronics. Members of Solectron s management and representatives of Goldman Sachs and WSGR were present at the meeting. At this meeting, the Solectron board discussed the terms of the proposed letter of intent with senior

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management of Solectron and the Goldman Sachs and WSGR representatives. The representatives of Goldman Sachs presented various data and analyses to the board regarding Solectron on a standalone basis, analyses of the companies on a combined basis, a review of potential synergies that could be realized from the combination, and an analysis of the implied value of the proposed transaction to the company s stockholders. The WSGR representatives reviewed with the board members their fiduciary duties in connection with their consideration of the letter of intent and potential business combination. At the conclusion of the meeting, the board authorized Mr. Tufano to make a counterproposal which included a higher premium, an increased cap for the stock consideration, and a fixed exchange ratio structure.

Following the May 17, 2007, board meeting, Mr. Tufano made a counterproposal to Mr. McNamara on the terms authorized by the Solectron board. Members of management of Solectron and Flextronics engaged in further negotiations regarding the terms of the proposed merger.

On May 19, 2007, Flextronics presented a revised letter of intent to Solectron. The revised letter of intent proposed a merger whereby Flextronics would acquire Solectron; a fixed exchange ratio structure; an exchange ratio of 0.3450, which represented an implied price of $3.87 and a premium of 15.4% to the Solectron closing stock price on May 18, 2007; and that each Solectron stockholder (with respect to all Solectron stock held by such stockholder) could elect to receive either cash or stock consideration subject to a maximum stock component of seventy percent (70%) and a maximum cash component of fifty percent (50%). The revised letter of intent provided for the actual per share cash consideration to be determined based on the average per share closing prices for Flextronics ordinary shares prior to the date the definitive merger agreement was signed. Solectron did not sign the letter of intent.

On May 20, 2007, the Solectron board met to discuss the terms of the revised letter of intent. Members of Solectron management and representatives of WSGR and Goldman Sachs were present at the meeting. The representatives of Goldman Sachs presented various data and analyses to the board regarding Solectron on a standalone basis, analyses of the companies on a combined basis, a review of potential synergies that could be realized from the combination, and an analysis of the implied value of the proposed transaction to the company s stockholders. At the conclusion of the meeting, the board authorized Mr. Tufano to negotiate a definitive agreement consistent with the terms of the revised letter of intent.

On May 21, 2007, Goldman Sachs advised Citigroup that Solectron s board had authorized Solectron management to negotiate a definitive agreement consistent with the terms of the revised letter of intent, which Citigroup communicated to Flextronics management.

On May 21, 2007, Messrs. McNamara and Smach held a conference call with the Flextronics special acquisition committee to update the committee on the status of negotiations.

On May 22, 2007, the Solectron board held a special meeting. Members of Solectron management and representatives of WSGR and Goldman Sachs were present at the meeting. Solectron management reviewed with the board the synergy analysis that had been performed to date, which reflected collaborative synergy discovery with Flextronics. The management presentation included discussions of potential tangible and intangible synergies (including cost-savings) that could be realized from a combination of the companies, the likelihood and timing of realizing such synergies and the risks to realization. Members of Solectron management also reviewed with the board their general perspective on Flextronics and its management team. Representatives of Goldman Sachs and WSGR discussed with the board the process and steps to be completed before a merger agreement could be signed, and the general steps and timeframe for the closing of a transaction. Representatives of WSGR also discussed the anticipated regulatory review of the transaction and the potential risks to a closing.

On May 26, 2007, on behalf of Flextronics, CM-P delivered to WSGR a draft merger agreement. From May 26, 2007 until June 3, 2007, members of Flextronics management and representatives of CM-P and Citigroup negotiated the provisions of the merger agreement with members of Solectron management and representatives of WSGR and Goldman Sachs. The parties agreed that, based on a June 4, 2007 signing date, the cash component of the merger consideration would be $3.89 for each Solectron share, based on the fixed exchange ratio of 0.3450 and the average closing price of Flextronics s ordinary shares for the five trading days ending on May 31, 2007.

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On June 1, 2007, the Solectron board met to further consider the proposed merger with Flextronics, to review the terms of the definitive merger agreement and to evaluate Solectron s due diligence review of Flextronics and the financial analysis prepared by Goldman Sachs. Members of management and representatives of Goldman Sachs and WSGR were present at the meeting. During the meeting, representatives of Goldman Sachs gave a presentation to the board regarding Flextronics s business, industry position and management and the rationale and other considerations regarding the proposed transaction. In addition, the Goldman Sachs representatives delivered a detailed presentation to the board which included an overview of the EMS industry, various data and analyses regarding Solectron on a standalone basis, analyses of the companies on a combined basis, a review of potential synergies that could be realized from the combination, and an analysis of the implied value of the proposed transaction to the company s stockholders. Representatives of WSGR reviewed with the Solectron board the terms and conditions of the proposed merger agreement, the board s fiduciary duties with respect to its consideration of the transaction and the anticipated regulatory review of the transaction. Members of management and representatives of WSGR and KPMG LLP presented the findings of their respective due diligence investigations of Flextronics.

At the request of the Solectron board, Mr. McNamara was invited to present to the Solectron board his perspectives on the EMS industry and his plans for integrating the two companies and achieving synergies resulting from combining the two companies.

On June 1, 2007, Flextronics s board of directors convened a special meeting, which was attended by members of the company s senior management, as well as representatives of CM-P and Citigroup. Mr. McNamara provided a detailed review of the proposed merger, its strategic rationale and integration matters. Mr. Smach then presented a detailed review of the financial terms of the transaction, and the financing alternatives, including a commitment by Citigroup to provide a $2.5 billion senior, unsecured term loan facility to finance the cash requirements of the transaction. Mr. Read, Mr. Christopher Collier, Senior Vice President of Finance, and Mr. Terry Zale, Vice President of Corporate Finance, then reviewed with the board the results of the company s business, financial and legal due diligence investigation. CM-P reviewed the terms of the proposed merger agreement and voting agreements and the status of the negotiations of these agreements. CM-P also reviewed the anticipated timeline for closing the merger, including the expected regulatory approval process. Citigroup then gave its preliminary presentation to the Flextronics board regarding its financial analysis of the proposed cash and stock consideration to be paid in the merger, which analysis was subject to confirmation at such time as Citigroup was requested to render a fairness opinion regarding the merger consideration. Following these presentations and further discussion, the Flextronics board, by resolution adopted by the unanimous vote of all directors, subject to the approval of the final terms of the merger agreement by the Flextronics special acquisition committee, determined that it is in the interest of the company to enter into the merger agreement, approved and adopted the merger agreement, and resolved to recommend that Flextronics shareholders vote FOR the issuance of Flextronics ordinary shares required to be issued in the merger.

On June 3, 2007, the Solectron board met to review the proposed transaction. Members of management and representatives of Goldman Sachs and WSGR were present at the meeting. Representatives of WSGR reviewed with the Solectron board the terms of the proposed merger agreement, including the changes that had been negotiated since the June 1, 2007 board meeting. During this meeting, representatives from Goldman Sachs presented their financial analysis of the fairness from a financial point of view to the holders of Solectron common stock of the proposed cash and stock consideration to be received by such holders, taken in the aggregate, and delivered Goldman Sachs s oral opinion to the Solectron board, and subsequently confirmed such opinion in writing on June 4, 2007, that, as of the date of such opinion, the stock consideration and the cash consideration to be received by the holders of Solectron common stock, taken in the aggregate, was fair from a financial point of view to Solectron s stockholders. Following these presentations, the Solectron board, acting unanimously, determined that the merger was fair to, and in the best interests of, Solectron and its stockholders, approved the merger agreement, the merger and the other transactions contemplated thereby and resolved to recommend that Solectron stockholders vote FOR the adoption of the merger agreement.

On June 3, 2007, the Flextronics special acquisition committee held a telephonic meeting to review the proposed merger. CM-P updated the committee on the terms of the merger agreement and voting agreements, including the resolution of issues that were outstanding at the time of the June 1 board meeting. Citigroup reviewed

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the financial terms of the proposed merger and delivered its oral opinion, subsequently confirmed in writing as of the same date, that, as of June 3, 2007 and based on and subject to the factors and assumptions set forth in its opinion, the cash and stock consideration to be paid by Flextronics in the merger was fair to Flextronics from a financial point of view. Following the presentations, and after further review and discussion, the special acquisition committee approved the merger agreement, the merger and the other transactions contemplated thereby and authorized management to complete the negotiation of the merger agreement.

On June 4, 2007, Flextronics and Solectron executed the merger agreement. Flextronics and Solectron issued a joint press release announcing the execution of the merger agreement before the opening of trading on June 4, 2007.

Flextronics s Reasons for the Merger and Board Recommendation

When considering whether to approve the merger agreement and the merger, and to recommend that Flextronics shareholders approve the issuance of ordinary shares in the merger, the Flextronics board of directors consulted with Flextronics s management, its legal counsel regarding the terms of the merger, and its financial advisors regarding the financial aspects of the merger and the fairness, from a financial point of view, of the consideration to be paid by Flextronics. The factors that the Flextronics board of directors considered in reaching its determination included, but were not limited to, the following:

- the strategic benefits of the merger, as identified below;
- management s assessment of the financial condition, results of operations and businesses of Flextronics and Solectron before and after giving effect to the merger;
- reports from Flextronics s management and legal and financial advisors as to the results of the due diligence investigation of Solectron;
- financial market conditions, historical share prices, and other trading data relating to Flextronics ordinary shares and the common stock of Solectron;
- the opinion of Citigroup, as described below in the section entitled Opinion of Flextronics s Financial Advisor beginning on page 51 of this joint proxy statement/prospectus, that as of June 3, 2007, and subject to the factors, assumptions, procedures, limitations and qualifications set forth in Citigroup s written opinion, a copy of which is attached to this joint proxy statement/prospectus as Annex D, the consideration to be paid by Flextronics in the merger is fair, from a financial point of view, to Flextronics;
- the structure of the merger, including the fixed exchange ratio of 0.3450 and the right of Solectron stockholders to elect to receive either Flextronics shares or cash, subject to the limitation that not more than 70% in the aggregate and no less than 50% in the aggregate of Solectron shares will be converted into shares of Flextronics;
- the belief that the terms of the merger agreement, including the parties representations, warranties and covenants, and the conditions to their respective obligations, are reasonable;
- the various alternatives for funding the cash requirements of the transaction, including the terms and conditions of the $2.5 billion, seven-year, senior unsecured term loan facility that Citigroup had committed to provide in connection with the merger;
- management s projections of Flextronics as an independent company; and

other strategic alternatives for Flextronics.

The Flextronics board of directors also identified and considered a variety of potentially negative factors in its deliberations concerning the merger, including, but not limited to:

the risk that the potential benefits sought in the merger, including anticipated synergies, might not be fully realized;

the possibility that the merger may not be completed, or that completion of the merger may be delayed;

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the challenges and substantial costs of combining the two businesses and the expenses to be incurred in connection with the merger, including the risk that delays or difficulties in completing the integration, could adversely affect the combined company s operating results and delay or prevent the realization of anticipated synergies, cost savings or other anticipated benefits from the merger;

the risk that despite the efforts of the combined company, key technical and management personnel may depart as a result of the merger; and

various other risks associated with the merger and the businesses of Flextronics and the combined company described in the section entitled Risk Factors beginning on page 26 of this joint proxy statement/prospectus.

Although these potentially negative factors were considered by the Flextronics board of directors during its deliberations, the board concluded that, overall, the potential benefits of the merger outweighed any potentially negative factors associated with the merger.

At a meeting held on June 1, 2007, the Flextronics board of directors unanimously voted to approve the merger agreement and the merger, subject to approval of the final terms of the merger agreement by the Flextronics special acquisition committee, and to recommend that Flextronics shareholders vote FOR a proposal at the Flextronics annual general meeting authorizing the issuance of Flextronics ordinary shares in connection with the merger. The Flextronics board of directors based its decision on a variety of factors, including, without limitation, a belief that the proposed merger creates more value for the combined company s customers, employees and shareholders, and a more diversified and competitive company that is positioned to achieve greater profits, cash flows, and returns. In reaching this conclusion, the board identified the following anticipated strategic benefits of the merger:

Enhanced Competitive Position. Combining Flextronics and Solectron would create the most diversified and premier global provider of advanced design and vertically integrated EMS with the broadest worldwide EMS capabilities, from design resources to end-to-end vertically integrated global supply chain services. The combined company would be able to use its increased scale to realize significant cost savings and further extend its reach within established market segments.

Improved Customer Offering. By adding Solectron s resources and unique skill sets, Flextronics would be able to provide more value innovation to its customers by leveraging the combined global economies of scale in manufacturing, logistics, procurement, design, engineering, and ODM services. A larger company would be more competitive and therefore better-positioned to deliver supply chain solutions that fulfill its customers increasingly complex requirements. The combined company would be expected to improve the competitive position of its customers by simplifying their global product development process while also delivering improved product quality with enhanced performance and faster time to market.

Complementary Businesses. Solectron s strengths in high-end computing, communications, and networking infrastructure market segments complement Flextronics s strengths in vertical integration and ODM capabilities and its expertise in cell phones and consumer electronics. The combined company would be a leading EMS supplier of high-end products, enhancing and leveraging Flextronics s global leadership position in high-volume, low-cost products. In addition, Solectron s after-market sales support, repair service, and build to order/configure to order capabilities would be a valuable addition to Flextronics s existing end-to-end vertically integrated service capabilities.

Operating Synergies. Over the last 18 months, Flextronics has reorganized its management structure, creating the infrastructure required to effectively and efficiently add scale to its operations and enable it to achieve the

synergies expected from the successful integration of Solectron s operations. The combined company would be expected to realize cost savings from manufacturing and operating expense reductions, which will result from global footprint rationalization and the elimination of redundant assets or unnecessary functions. Additional costs savings would be expected from leveraging increased scale and purchasing power, and the expansion of vertical integration would be expected to drive higher combined profitability. In addition, combined capital expenditures would be reduced by the redeployment of equipment and rationalized manufacturing locations.

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Diversification. Flextronics s current product portfolio is highly concentrated in the mobile segment, which represented approximately 31% of Flextronics s revenues for the quarter ended March 31, 2007, followed by consumer digital at 24%, infrastructure at 23%, industrial, auto, medical and other at 12%, and computing at 10% of revenues. By comparison, infrastructure represented 42% of Solectron s revenues for the quarter ended March 2, 2007, followed by computing at 34%, industrial, auto, medical and other at 12%, and consumer digital at 12%. Following the merger, the combined company will have a more diversified and balanced customer and product mix, especially with regard to the mobile and infrastructure market segments, which may better position the combined company to withstand end market, customer and product volatility in the future.

The foregoing description of the material factors considered by the Flextronics board of directors is not intended to be exhaustive, but represents the principal factors considered by the Flextronics board of directors when reaching its decision to approve the merger agreement and the merger and to recommend that Flextronics shareholders authorize the issuance of Flextronics ordinary shares in connection with the merger. **The Flextronics board of directors unanimously recommends that Flextronics shareholders vote FOR the proposal to approve the issuance of Flextronics ordinary shares pursuant to the merger agreement.**

Opinion of Flextronics s Financial Advisor

Flextronics retained Citigroup as its financial advisor in connection with the acquisition. Pursuant to Citigroup s engagement letter with Flextronics, dated April 30, 2007, Citigroup made a presentation to the Flextronics board of directors in which Citigroup reviewed certain financial analyses described below and rendered to the Flextronics special acquisition committee an oral opinion, subsequently confirmed in writing to the Flextronics board of directors, that as of June 3, 2007, and subject to the factors, assumptions, procedures, limitations and qualifications set forth in the opinion, the consideration to be paid by Flextronics in the acquisition is fair, from a financial point of view, to Flextronics.

The full text of Citigroup s written opinion dated June 3, 2007, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is included as Annex D to this joint proxy statement/prospectus and is incorporated herein by reference. Citigroup s opinion was limited solely to the fairness to Flextronics of the acquisition consideration from a financial point of view as of the date of the opinion. Neither Citigroup s opinion nor the related analyses constituted a recommendation of the proposed acquisition to the Flextronics board of directors. Citigroup makes no recommendation to any stockholder as to how you should vote or act on any matters relating to the proposed acquisition. Citigroup was not requested to consider, and its opinion does not address, the relative merits of the acquisition compared to any alternative business strategies that might exist for Flextronics or the effect of any other transaction in which Flextronics might engage. This summary of Citigroup s opinion is qualified in its entirety by reference to the full text of the opinion. You are urged to read Citigroup s opinion carefully and in its entirety.

In arriving at its opinion, Citigroup:

reviewed a draft of the merger agreement, dated June 3, 2007;

held discussions with certain senior officers, directors and other representatives and advisors of Flextronics and certain senior officers and other representatives and advisors of Solectron concerning the business, operations and prospects of Flextronics and Solectron;

examined certain publicly available business and financial information relating to Flextronics and Solectron;

examined certain financial forecasts and other information and data relating to Flextronics and Solectron, which were provided to or discussed with Citigroup by the management of Flextronics and Solectron, including adjustments prepared by management of Flextronics to the forecasts and other information and data relating to Solectron, and including information relating to the potential strategic implications and operational benefits (including the amount, timing and achievability thereof) anticipated by the management of each of Flextronics and Solectron to result from the acquisition;

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reviewed the financial terms of the acquisition as set forth in the merger agreement in relation to, among other things: current and historical market prices and trading volumes of Flextronics ordinary shares and Solectron common stock; the historical and projected earnings and other operating data of Flextronics and Solectron; and the capitalization and financial condition of Flextronics and Solectron;

considered, to the extent publicly available, the financial terms of certain other transactions and analyzed certain financial, stock market and other publicly available information relating to the businesses of other companies whose operations Citigroup considered relevant or potentially relevant in evaluating those of Flextronics and Solectron;

evaluated certain potential pro forma financial effects of the acquisition on Flextronics; and

conducted such other analyses and examinations and considered such other information and financial, economic and market criteria as Citigroup deemed appropriate in arriving at its opinion.

In rendering its opinion, Citigroup assumed and relied, without assuming any responsibility for independent verification, upon the accuracy and completeness of all financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with Citigroup and upon the assurances of the management of each of Flextronics and Solectron that they were not aware of any relevant information that has been omitted or that remains undisclosed to Citigroup. With respect to financial forecasts and other information and data relating to Flextronics or Solectron (as adjusted by management of Flextronics) provided to or otherwise reviewed by or discussed with Citigroup, Citigroup was advised by the management of Flextronics that such forecasts and other information and data were reasonably prepared on basis reflecting the best currently available estimates and judgments of the management of Flextronics as to the future financial performance of Flextronics and Solectron, the potential strategic implications and operational benefits anticipated to result from the acquisition, and the other matters covered thereby. Citigroup assumed, with the Flextronics board of directors consent, that the financial results (including the potential strategic implications and operational benefits anticipated to result from the acquisition) reflected in such forecasts and other information and data will be realized in the amounts and at the times projected.

Citigroup assumed, with the consent of the Flextronics board of directors, that the acquisition will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the acquisition, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Flextronics, Solectron or the contemplated benefits of the acquisition. Representatives of Flextronics advised Citigroup, and Citigroup further assumed, that the final terms of the merger agreement would not vary materially from those set forth in the draft of the merger agreement dated June 3, 2007 reviewed by Citigroup.

Citigroup did not express any opinion as to what the value of the Flextronics ordinary shares actually will be when issued pursuant to the acquisition or the price at which the Flextronics ordinary shares will trade at any time. Citigroup did not make and was not provided with an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Flextronics or Solectron, nor did Citigroup make any physical inspection of the properties or assets of Flextronics or Solectron. Further, Citigroup expressed no view as to, and its opinion does not address, the relative merits of the acquisition as compared to any alternative business strategies that might exist for Flextronics or the effect of any other transaction in which Flextronics might engage. Citigroup s opinion was necessarily based upon information available to it, and financial, stock market and other conditions and circumstances existing, as of the date of the opinion.

A description of the material financial analyses performed by Citigroup in connection with the preparation of its fairness opinion is set forth below. The following summary does not, however, purport to be a complete description of all the financial analyses performed by Citigroup in connection with its fairness opinion. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and is not necessarily susceptible to partial analysis or summary description. In arriving at its fairness determination, Citigroup considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Citigroup made its determination as to fairness on the basis of its

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experience and professional judgment after considering the results of all of its analyses. Accordingly, Citigroup believes that the analyses and factors described below must be considered as a whole and that selecting portions of such analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of its analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.

In its analyses, Citigroup made numerous assumptions with respect to industry performance, regulatory, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Flextronics and Solectron. No company, business or transaction used in Citigroup s analyses as a comparison is identical or directly comparable to Flextronics or Solectron, and an evaluation of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading, or other values of the companies, business segments or transactions analyzed.

Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. The analyses do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Flextronics, Solectron, Citigroup, their respective affiliates or any other person assumes responsibility if future results are materially different from those forecast.

The order of the analyses described does not represent relative importance or weight given to those analyses by Citigroup. Some of the summaries of the financial analyses include information presented in tabular format. To the extent the following quantitative information reflects market data, except as otherwise indicated, Citigroup based this information on market data existing on or before June 1, 2007, the last trading day before public announcement of the acquisition. Accordingly, this information does not necessarily reflect current or future market conditions.

The acquisition consideration was determined by arms -length negotiations between Flextronics and Solectron, in consultation with their respective financial advisors and other representatives, and was not established by such financial advisors.

The following is a summary of the material financial analyses presented to the Flextronics board of directors in connection with Citigroup s opinion. **Citigroup believes that the analyses and factors described below must be considered as a whole and that selecting portions of such analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of its analyses, could create a misleading or incomplete view of the processes underlying its analyses and opinion.**

Transaction Overview

Citigroup reviewed the basic terms of the acquisition with the Flextronics board of directors, including the following:

- consideration per share of Solectron common stock to consist of $3.89 in cash or 0.345 Flextronics ordinary shares;
- cash conversion range of 30% to 50% of outstanding shares of Solectron and stock conversion range of 50% to 70% of outstanding shares of Solectron; and
- pro forma synergies of the combined company.

Historical Exchange Ratio Analysis. Citigroup calculated the implied current exchange ratio at May 31, 2007 by dividing the closing price per share of Solectron common stock by the closing price per share of Flextronics ordinary shares on such date. Citigroup also calculated the high, low and average historical exchange ratios for the

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30-day, 90-day, 180-day, 12-month and 2-year periods, in each case ending May 31, 2007. The results of this analysis are set forth below:

	High	Low	Average	Current
Last 30 days	0.3135x	0.2896x	0.3013x	0.2944x
Last 90 days	0.3135x	0.2775x	0.2915x	0.2944x
Last 180 days	0.3135x	0.2436x	0.2864x	0.2944x
Last 12 months	0.3389x	0.2436x	0.2879x	0.2944x
Last 2 years	0.3985x	0.2436x	0.3086x	0.2944x

Analysis of Trading Multiples. Citigroup derived certain trading multiples for each of Flextronics, Solectron and selected Tier I EMS companies that Citigroup deemed comparable to Flextronics and Solectron, and compared the derived multiples to similar information for Solectron assuming consummation of the acquisition at the transaction price of $3.89 per share of Solectron s common stock. The trading multiples considered by Citigroup in the course of this analysis were:

Firm value as multiple of estimated EBITDA for each of calendar years 2007 and 2008; and

Stock price per share as multiple of estimated earnings per share, for each of calendar years 2007 and 2008.

The comparable companies included Hon Hai, Jabil, Sanmina-SCI and Celestica. Financial information and data for Flextronics, Solectron, and the comparable companies were based on information available in company filings, press releases, Wall Street releases and Factset market data. Citigroup defined firm value as equity value (all fully diluted shares at the stock price less any option proceeds) plus straight debt, minority interest, straight preferred stock, all out-of-the-money convertibles, minus investments in unconsolidated affiliates and cash. The results of this analysis were:

	Firm Value / EBITDA		Price / EPS	
	CY2007E	CY2008E	CY2007E	CY2008E
Tier I EMS Median	8.1x	7.1x	21.9x	12.8x
Tier I EMS Mean	8.3x	6.7x	19.9x	13.5x
Solectron @ Market ($3.40)	6.2x	5.4x	15.3x	12.7x
Solectron @ Transaction ($3.89)	7.3x	6.3x	17.5x	14.6x

Precedent Premiums. Citigroup reviewed publicly available information for cash and stock consideration transactions with deal values between $1.5 billion and $5.0 billion since 2004. For each of these transactions, Citigroup derived and compared with similar information for the acquisition the per share premium or discount paid or proposed to be paid to the target company s shareholders based on the closing price per share of the target company s common stock one day prior to the announcement of the transaction, and the ten-day and thirty-day average daily trading prices prior to the announcement of the transaction. The results of this analysis were:

	Premium		
	1-Day	10-Day	30-Day

High	79.1%	74.1%	59.9%
Average	19.4%	20.9%	21.3%
Median	16.6%	18.1%	20.2%
Low	(7.2)%	(5.0)%	(8.4)%
Flextronics-Solectron	14.4%	15.3%	13.8%

Discounted Cash Flow Analyses. Citigroup performed a discounted cash flow analysis to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that Solectron could generate over the period from fiscal years 2008 through 2014.

Citigroup calculated a range of estimated terminal values by applying a range of EBITDA terminal value multiples of 5.00x to 7.00x to Solectron s estimated fiscal year 2014 terminal EBITDA. The unlevered, after-tax free cash flows and terminal values were discounted to present value as of March 31, 2007 using discount rates

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ranging from 9.0% to 11.0%, which range was derived taking into consideration, among other things, the estimated weighted average cost of capital for Solectron using selected public company market data and Solectron s cost of debt as of March 31, 2007. The terminal value multiples were determined based upon an assessment of public company trading values. Using Solectron s estimated balance sheet data as of March 2, 2007 as provided by Solectron s management, this analysis indicated the following approximate implied per share equity value reference range for Solectron, as compared to the closing price of Solectron common stock on May 31, 2007, one day before the last trading day prior to the announcement of the acquisition:

Implied Per Share Equity Value Reference Range for Solectron	Solectron Stock Closing Price on May 31, 2007
$3.66 - $4.33	$3.40

Citigroup also performed a discounted cash flow analysis to calculate the estimated present value of the after-tax net synergies that Flextronics and Solectron as a combined company could generate over the period from 2008 through 2014. Assuming a marginal tax rate of 7.0% and taking into account allowance for potential revenue leakage, reduction in cost of goods sold due to potential revenue leakage, cost of goods sold savings on materials, manufacturing overhead savings, operating expenditures savings, utilization profit improvement and vertical integration, Citigroup estimated the present value of the after-tax synergies of the combined company as of March 31, 2007 at $649.9 million or $0.71 per share.

Other Factors. In rendering its opinion, Citigroup also reviewed and considered other factors for informational purposes, including:

- the pro forma business mix of Flextronics and Solectron, based on company presentations, Flextronics last quarter annualized as of March 31, 2007 and Solectron s last quarter annualized as of March 2, 2007;
- Wall Street analyst price targets and projections for Solectron found in publicly available equity research; and
- operating metrics, including revenue growth, of Solectron and selected Tier I EMS firms. Estimates for the Tier I EMS firms were based on company filings, press releases, Wall Street releases and Factset market data.

Based on the analyses described above, Citigroup determined that the aggregate consideration to be paid by Flextronics in the acquisition is fair, as of June 3, 2007, from a financial point of view, to Flextronics.

Miscellaneous. Citigroup acted as financial advisor to Flextronics in connection with the transaction. Pursuant to Citigroup s engagement, Flextronics agreed to pay Citigroup $11 million upon consummation of the acquisition of Solectron. If Citigroup s engagement is terminated or expires prior to the consummation of the acquisition, the foregoing fee will be payable by Flextronics if the acquisition of Solectron is consummated at any time prior to the twelve-month anniversary of the termination or expiration of Citigroup s engagement. Flextronics has also agreed, subject to certain limitations, to reimburse Citigroup for its reasonable travel and other expenses, including attorneys fees and expenses, and to indemnify Citigroup and related parties for certain liabilities that may arise out of the rendering of its opinion, including certain liabilities under federal securities laws. Finally, an affiliate of Citigroup engaged in the commercial lending business may act as lender and administrative agent for a credit facility to be used by Flextronics in connection with the acquisition.

Citigroup and its affiliates in the past have provided, and are currently providing, services to Flextronics and Solectron unrelated to the acquisition, for which services Citigroup and such affiliates have received and expect to receive

compensation. These services include, without limitation, acting as a lender to Flextronics under Flextronics s May 2007 credit facility, or the 2007 facility, and as a co-documentation agent under Flextronics s May 2005 credit facility which was replaced by the 2007 facility, advising Flextronics in connection with a February 2006 delisting of a subsidiary, acting as joint book runner of Solectron s February 2006 $150 million bond offering and acting as co-syndication agent of Solectron s August 2006 $350 million senior secured revolving credit facility. In the ordinary course of Citigroup s business, Citigroup and its affiliates may actively trade or hold the securities of Flextronics and Solectron for their own account or for the account of their customers and, accordingly, may at any time hold a long or short position in such securities. In addition, Citigroup and its affiliates (including

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Citigroup Inc. and its affiliates) may maintain relationships with Flextronics, Solectron and their respective affiliates.

Flextronics selected Citigroup as its financial advisor in connection with the acquisition based on Citigroup s reputation, experience and familiarity with Flextronics, Solectron and their respective businesses. Citigroup is an internationally recognized investment banking firm which regularly engages in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes.

Solectron s Reasons for the Merger and Board Recommendation

At a meeting held on June 3, 2007, the Solectron board of directors, by unanimous vote:

- determined that the merger agreement and the transactions contemplated by the merger agreement are advisable and fair to and in the best interests of the Solectron stockholders and approved and adopted the merger agreement and the transactions contemplated thereby; and

- resolved to recommend that the Solectron stockholders adopt the merger agreement.

The Solectron board of directors unanimously recommends that the Solectron stockholders vote FOR the adoption of the merger agreement at the Solectron special meeting.

In reaching this decision, the Solectron board of directors consulted with Solectron s management and its financial and legal advisors and considered a variety of factors, including the material factors described below. In light of the number and wide variety of factors considered in connection with its evaluation of the transaction, the Solectron board of directors did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors that it considered in reaching its determination. Rather, the Solectron board of directors made its recommendation based on the totality of information presented to, and the investigations conducted by or at the direction of, the Solectron board of directors, which included, but was not limited to:

- historical information concerning Flextronics s and Solectron s respective businesses, prospects, financial performance and condition, operations, technology, management and competitive position, including public reports concerning results of operations for each company, as filed with the SEC;

- Solectron management s view of the financial condition, results of operations and businesses of Flextronics and Solectron before and after giving effect to the merger (including Solectron s prospects continuing as an independent company); and

- reports from Solectron management and outside legal, financial and accounting advisers as to the results of the due diligence investigation of Flextronics.

In addition, individual directors may have given different weightings to different factors.

Strategic Considerations. The Solectron board of directors considered factors pertaining to the strategic rationale for the merger as generally supporting its decision to enter into the merger agreement, including, but not limited to, the following:

- its expectation that the merger would result in a larger, more competitive organization, and that the opportunities for strategic investment and customer expansion following the merger would be significantly

greater for the combined company than what Solectron could achieve as an independent company;

its expectation that the complementary capabilities of Solectron and Flextronics would enhance the range of the services and solutions currently offered by Solectron to its customers and would allow the combined company to pursue new growth opportunities; and

the strategic benefits of the merger, as described in the sections entitled Flextronics s Reasons for the Merger and Board Recommendation beginning on page 49 and Solectron s Reasons for the Merger and Board Recommendation beginning on page 56 of this joint proxy statement/prospectus.

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Equity Participation in Combined Company. The Solectron board of directors considered as generally supporting its decision to enter into the merger agreement the opportunity for Solectron stockholders (through the stock election feature) to participate in the potential growth of the combined company as compared to the alternative of Solectron continuing as an independent company under its current business plan in light of the perceived strategic benefits of the proposed transaction, as well as a perceived reduction in risk as a result of being stockholders in a larger, more diversified company.

Financial Considerations. The Solectron board of directors considered the financial terms of the transaction, including the cash/stock election feature, the fixed exchange ratio of 0.3450 Flextronics ordinary shares for each share of Solectron common stock (for stock elections) and the $3.89 in cash for each share of Solectron common stock (for cash elections), as well as other financial factors pertaining to the merger as generally supporting its decision to enter into the merger agreement, including, but not limited to, the following:

the fact that the implied value of the merger consideration, based on the closing price of Flextronics ordinary shares on June 1, 2007 (the last trading day prior to announcement of the merger) represented a premium of 15.0% (for cash elections) and 20.0% (for stock elections) to the closing price of Solectron common stock on such date, a 14.2% (for cash elections) and 18.6% (for stock elections) premium to the 20-day average closing price of Solectron common stock and a substantial premium over other recent historical periods;

the stock election feature of the transaction offers Solectron stockholders the opportunity to participate in the growth and success of the combined company through the stock component of the merger consideration, subject to the aggregate stock consideration cap;

the cash election feature of the transaction allows Solectron stockholders to realize an immediate return on their investment in Solectron common stock through the cash component of the merger consideration, subject to the aggregate cash cap;

the significant synergies that could result from the transaction, including substantial cost savings for the combined company from increased efficiencies in manufacturing, logistics and operating expenses;

the expectation that, immediately after closing and depending on the aggregate amount of cash consideration that Solectron stockholders elect to receive pursuant to the merger and based on the number of Flextronics ordinary shares and shares of Solectron common stock outstanding on June 1, 2007, including Solectron restricted shares and the exchangeable shares, Solectron stockholders would beneficially own approximately 21% to 27% of the ordinary shares of the combined company, and would have the opportunity to share in the future growth and expected synergies of the combined company while retaining the flexibility to sell all or a portion of those shares at any time.

Opinion of Goldman, Sachs & Co. The Solectron board of directors considered Goldman Sachs oral opinion rendered to Solectron s board of directors on June 3, 2007, which it subsequently confirmed in writing on June 4, 2007, that, as of the dates of such opinions, and based upon and subject to the factors and assumptions set forth in the opinion, the 0.3450 of a Flextronics ordinary share and the $3.89 in cash, without interest, to be received by the holders of Solectron common stock for each share of Solectron common stock at the election of the holder of such share, taken in the aggregate, was fair from a financial point of view to the holders of Solectron common stock.

Terms of Merger Agreement. The Solectron board of directors considered as generally supporting its decision to approve the Company s entry into the merger agreement the terms of such agreement, including the following:

the belief that the terms of the merger agreement, including the parties mutual representations, warranties, covenants and closing conditions, are reasonable and that the prospects for successful consummation of the transaction are high;

the limited ability of Flextronics to terminate the merger agreement, and the fees payable by Flextronics with respect to certain events of termination, namely the payment of a $100.0 million termination fee to Solectron in certain circumstances where the merger agreement is terminated, although the Solectron board of directors understood that such limitations and similar fees would also apply to Solectron;

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the fact that while the merger agreement contains a covenant prohibiting Solectron from soliciting third party acquisition proposals, it allows a reasonable opportunity to respond to unsolicited superior third party acquisition proposals if the Solectron board of directors determines that the failure to do so would reasonably be expected to be a breach of its fiduciary duties under applicable law, subject to the payment of a termination fee upon termination under certain circumstances;

its view that the terms of the merger agreement, including the termination fee, would not preclude a proposal for an alternative acquisition transaction involving Solectron;

the fact that the merger agreement allows the Solectron board of directors to withhold, withdraw, amend or modify its recommendation of the merger agreement if a superior proposal is received from a third party or if the Solectron board of directors determines that the failure to withhold, withdraw, amend or modify its recommendation would reasonably be expected to be a breach of its fiduciary duties under applicable law, subject to the payment of a termination fee upon termination under certain circumstances;

the governance arrangements of the combined company under which the board of directors of the combined company would include two directors designated by Solectron, subject to the approval of Flextronics; and

the fact that, as of and following the closing date, the surviving corporation will either (a) maintain Solectron s benefit plans (other than Solectron s 401(k) plans, unless Flextronics otherwise notifies Solectron that such plans will not be terminated immediately prior to the closing date), or (b) permit each continuing employee of Solectron and its subsidiaries employed immediately prior to the effective time (and, as applicable, their eligible dependents) to participate in the Flextronics benefit plans (on terms no less favorable than those provided to similarly situated Flextronics employees), in which case, such employees will receive credit for prior service with Solectron and its subsidiaries, including predecessor employers, for certain purposes, or (c) a combination of (a) and (b).

Risks. The Solectron board of directors also identified and considered a number of uncertainties, risks and other potentially negative factors, including the following:

the price of Flextronics ordinary shares at the time of closing could be lower than the price as of the time of signing, and accordingly, the value of the stock consideration received by Solectron stockholders in the merger could be materially less than the value as of the date of the merger agreement;

the difficulties and challenges inherent in completing a merger and integrating the management teams, strategies, cultures and organizations of the two companies;

the risk that the expected synergies and other benefits of the merger might not be fully achieved or may not be achieved within the timeframes expected;

the risks of the type and nature described above under Risk Factors ;

if Solectron stockholders collectively elect to receive cash consideration in excess of the aggregate cash cap, the cash consideration that the Solectron stockholders will receive will be proportionally reduced and substituted with Flextronics ordinary shares pursuant to the terms of the merger agreement, which will result in those stockholders who elect cash not receiving the exact form of merger consideration they elected;

if Solectron stockholders collectively elect to receive stock consideration in excess of the aggregate stock cap, the stock consideration that the Solectron stockholders will receive will be proportionally reduced and substituted with cash pursuant to the terms of the merger agreement, which will result in those stockholders who elect stock not receiving the exact form of merger consideration they elected;

the possibility that the merger ultimately may not be completed, whether as a result of material adverse developments, regulatory objections or other unsatisfied closing conditions;

the potential adverse effects of the announcement and pendency of the merger on Solectron s customer, supplier and employee relationships, including the potential decrease or loss of customer business;

the decision of Solectron s board of directors to pursue the proposed strategic merger without soliciting competing proposals from other parties (though the structure of the merger agreement allows Solectron s

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board of directors to consider alternative third party acquisition proposals if Solectron s board of directors determines in good faith that an alternative third party acquisition proposal is or is reasonably likely to result in an acquisition proposal that is more favorable to the Solectron stockholders);

certain provisions of the merger agreement may have the effect of discouraging proposals for alternative acquisition transactions involving Solectron, including:

the restriction on Solectron s ability to solicit proposals for alternative transactions;

the requirement that the Solectron board of directors submit the merger agreement to the Solectron stockholders for approval and adoption in certain circumstances, even if the Solectron board of directors withholds, withdraws, amends or modifies its recommendation for the merger; and

the requirement that Solectron pay a termination fee of $100.0 million to Flextronics in certain circumstances following the termination of the merger agreement;

certain of Solectron s directors and officers may have interests in the merger as individuals that are in addition to, or that may be different from, the interests of the Solectron stockholders, as further described in the section entitled The Merger Interests of Solectron s Officers and Directors in the Merger beginning on page 67 of this joint proxy statement/prospectus;

the fees and expenses associated with completing the merger;

the risk that certain members of Solectron senior management or Flextronics senior management might choose not to remain employed with the combined company;

the risk that either the Solectron stockholders may fail to adopt the merger agreement or the Flextronics shareholders may fail to approve the issuance of the Flextronics ordinary shares in the merger;

the potential impact of the restrictions under the merger agreement on Solectron s ability to take certain actions during the period prior to the closing of the merger (which may delay or prevent Solectron from undertaking business opportunities that may arise pending completion of the merger); and

the potential for diversion of management and employee attention and for increased employee attrition during the period prior to the closing of the merger agreement, and the potential effect that these may have on Solectron s business and relations with customers and suppliers.

The Solectron board of directors weighed the potential benefits, advantages and opportunities of a merger and the risks of not pursuing a transaction with Flextronics against the risks and challenges inherent in the proposed merger. The Solectron board of directors realized that there can be no assurance about future results, including results expected or considered in the factors listed above. However, the Solectron board of directors concluded that the potential benefits outweighed the risks of consummating the merger with Flextronics.

Solectron s Reasons for the Merger. The board of directors and management team of Solectron believe that the proposed merger represents the best strategic alternative for delivering increased value to Solectron s stockholders.

Solectron believes the merger presents a unique opportunity to create a combined entity that will offer its customers a broader set of electronics manufacturing services (or EMS) and original design manufacturing (or ODM) solutions on a scale and with an increased global reach that should deliver significant benefits to Solectron s customers,

stockholders and employees. The Solectron board of directors and management team reviewed various strategic alternatives to address the risks and challenges that Solectron faces, including, but not limited to, being acquired by EMS companies other than Flextronics, acquiring other third parties or other capabilities, undertaking a leveraged buy-out of Solectron or continuing as a standalone company. See the section entitled Background of the Merger beginning on page 44 of this joint proxy statement/prospectus. After reviewing and deliberating on the merits and drawbacks of the various strategic alternatives and the opportunities for the combined company presented by the merger, as more fully described below, the Solectron board of directors determined to pursue the merger with Flextronics in lieu of the other alternatives because it believes the merger will create a combined

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company that will be better positioned than a standalone Solectron to achieve the strategic and financial benefits described below.

The Solectron board of directors identified the following anticipated strategic and financial benefits of the merger:

Complementary Businesses. The development, manufacturing and logistics capabilities of the two companies are complementary and should enable the combined company to compete more effectively in the general EMS market. The combined company should be stronger than either company on its own, with greater breadth and depth of service offerings and with the scale and anticipated operational efficiencies that should allow it to profitably compete. In addition, Flextronics s ODM capabilities, its vertical integration model, and its continued targeting of non-traditional EMS market segments (e.g., automotive, military/aerospace, industrial and medical) should allow the combined company to compete effectively in these market segments, which offer greater growth potential and higher margins than the traditional EMS market segments that comprise Solectron s core business. Lastly, the integration of the Solectron and Flextronics logistics networks with these manufacturing facilities should create a more flexible and responsive organization that can more quickly react to and address regional and local changes in market demand and customer expectations and preferences in the various market throughout the world.

Customers. The combined company should be able to deepen relationships with many of its existing customers. Solectron expects the combined company to improve its ability to expand its current customer relationships and expects to increase its penetration of new customer accounts. Solectron believes that the combination of the two companies design, engineering, manufacturing and logistics capabilities should enable the combined company to meet customer needs more effectively and, particularly with the vertical integration model that Flextronics has been pursuing, to deliver more complete solutions to customers at a lower cost to those customers while realizing improved margins for the combined company. In addition, Solectron believes the larger sales organization, greater marketing resources and financial strength of the combined company may lead to improved opportunities for marketing the combined company s offerings.

Reduction in Operating Costs. The combined company is expected to realize substantial cost savings as a result of increased efficiencies in manufacturing, logistics and operating expenses. Flextronics and Solectron expect the combined company to achieve benefits from cost savings from manufacturing and operating expense reductions resulting from global footprint rationalization and the elimination of redundant assets or unnecessary functions; leveraging increased scale and purchasing power; and the expansion of vertical integration capabilities within the Solectron customer base.

Stronger Financial Position. The combined company will have greater scale and financial resources, including total cash and cash equivalents. Flextronics and Solectron expect that this stronger financial position will improve the combined company s ability to support the combined company s strategy; to respond more quickly and effectively to customer needs, technological change, increased competition and shifting market demand; and to pursue strategic growth opportunities in the future, including acquisitions.

Stock-for-Stock with Fixed Exchange Ratio for Stockholders that Elect Stock. Solectron s stockholders who receive Flextronics ordinary shares in the merger will share in the benefits from the growth opportunities, synergies and cost savings that are expected to be realized by the combined company as a result of the merger. The fact that the stock consideration is based on a fixed exchange ratio provides certainty as to the number of Flextronics ordinary shares that will be issued to Solectron stockholders who receive Flextronics ordinary shares in the merger.

There can be no assurance that the anticipated strategic and financial benefits of the merger will be achieved, including that the anticipated cost savings resulting from the merger will be achieved and/or reflected in the trading price of Flextronics ordinary shares following the completion of the merger.

After careful consideration, the Solectron board of directors unanimously determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable and fair to and in the best interests of the Solectron stockholders and has unanimously approved the merger agreement.

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The Solectron board of directors unanimously recommends that the Solectron stockholders vote FOR the adoption of the merger agreement.

Opinion of Solectron s Financial Advisor

Goldman Sachs rendered its oral opinion to Solectron s board of directors on June 3, 2007, which it subsequently confirmed in writing on June 4, 2007, that, as of the dates of such opinions, and based upon and subject to the factors and assumptions set forth therein, the Stock Consideration (as defined in the opinion) and the Cash Consideration (as defined in the opinion) to be received by the holders of Shares (as defined in the opinion), taken in the aggregate, was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated June 4, 2007, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex E. Goldman Sachs provided its opinion for the information and assistance of Solectron s board of directors in connection with its consideration of the transaction. The Goldman Sachs opinion does not constitute a recommendation as to how any holder of Solectron s common stock should vote or make any election with respect to the transaction or any other matter.

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

- the merger agreement;
- annual reports to stockholders and Annual Reports on Form 10-K of Solectron for the five fiscal years ended August 31, 2006 and of Flextronics for the five fiscal years ended March 31, 2007;
- certain interim reports to stockholders and Quarterly Reports on Form 10-Q of Solectron and Flextronics;
- certain other communications from Solectron and Flextronics to their respective stockholders;
- certain internal financial analyses and forecasts for Solectron prepared by its management; and
- certain internal financial analyses and forecasts for Flextronics prepared by its management, as reviewed and approved for Goldman Sachs use by the management of Solectron, referred to in this joint proxy statement/prospectus as the Forecasts, and certain cost savings and operating synergies projected by the management of Solectron to result from the transaction, referred to in this joint proxy statement/prospectus as the Synergies.

Goldman Sachs also held discussions with members of the senior managements of Solectron and Flextronics regarding their assessment of the strategic rationale for, and the potential benefits of, the transaction and the past and current business operations, financial condition and future prospects of their respective companies, including Solectron s views with respect to the risks and uncertainties associated with Solectron achieving its forecasts. In addition, Goldman Sachs reviewed the reported price and trading activity for the Solectron common stock and for the ordinary shares, no par value, of Flextronics, compared certain financial and stock market information for Solectron and Flextronics with similar information for certain other companies the securities of which are publicly traded, reviewed the financial terms of certain recent business combinations in the electronic manufacturing services industry specifically and in other industries generally and performed such other studies and analyses, and considered such other factors, as it considered appropriate.

For purposes of rendering its opinion, Goldman Sachs relied upon and assumed, without assuming any responsibility for independent verification, the accuracy and completeness of all of the financial, accounting, legal, tax and other information discussed with or reviewed by it. In that regard, Goldman Sachs assumed with Solectron s consent that the Forecasts, including the Synergies, had been reasonably prepared and reflected the best currently available estimates and judgments of the managements of Solectron and Flextronics, as the case may be, and that the Synergies would be realized. Goldman Sachs also assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the transaction contemplated by the merger agreement would be obtained without any adverse effect on Solectron or Flextronics or on the expected benefits of the transaction in any way meaningful to its analysis. Goldman Sachs was not requested to solicit, and did not solicit, interest from other

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parties with respect to an acquisition of or other business combination with Solectron. In addition, Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or off-balance-sheet assets and liabilities) of Solectron or Flextronics or any of their respective subsidiaries, nor was any evaluation or appraisal of the assets or liabilities of Solectron or Flextronics or any of their respective subsidiaries furnished to Goldman Sachs. Goldman Sachs opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to it as of, June 4, 2007. Goldman Sachs opinion did not address the underlying business decision of Solectron to engage in the transaction or the relative merits of the transaction as compared to any alternative business strategies or transactions that might be available to Solectron nor did Goldman Sachs express any opinion as to the prices at which Flextronics ordinary shares would trade at any time.

The following is a summary of the material financial analyses delivered by Goldman Sachs to the board of directors of Solectron in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before June 4, 2007 and is not necessarily indicative of current market conditions.

Historical Stock Trading and Historical Exchange Ratio Analysis. Goldman Sachs reviewed the historical trading prices and volumes for the Solectron common stock for the one-year period ended June 1, 2007. In addition, Goldman Sachs analyzed the consideration to be received by holders of Solectron common stock electing to receive the Cash Consideration pursuant to the merger agreement in relation to the closing price of the Solectron common stock on June 1, 2007 and the average market prices over the 10-day, 20-day, three-month, six-month and one-year periods ended June 1, 2007.

This analysis indicated that the price per share to be paid to Solectron stockholders electing to receive the Cash Consideration pursuant to the merger agreement represented:

a premium of 15.4% based on the closing market price of $3.37 per share as of June 1, 2007;

a premium of 15.1% based on the 10-day average market price of $3.38 per share;

a premium of 14.2% based on the 20-day average market price of $3.40 per share;

a premium of 18.6% based on the three-month average market price of $3.28 per share;

a premium of 17.7% based on the six-month average market price of $3.30 per share; and

a premium of 18.4% based on the one-year average market price of $3.28 per share.

Goldman Sachs calculated the implied current exchange ratio as of June 1, 2007 by dividing the closing price per share of Solectron common stock by the closing price per share of Flextronics ordinary shares. Goldman Sachs also calculated the historical exchange ratios and implied premium for Solectron common stock for the 10-day, 20-day, three-month, six-month and one-year periods ended June 1, 2007. Goldman Sachs compared these ratios to the exchange ratio in the merger agreement of 0.3450x for Solectron stockholders electing to receive the Stock Consideration.

This analysis indicated that the exchange ratio in the merger agreement for Solectron stockholders electing to receive the Stock Consideration represented:

a premium of 19.8% based on the exchange ratio of 0.2880x calculated as of June 1, 2007;

a premium of 15.7% based on the 10-day average exchange ratio of 0.2981x;

a premium of 15.5% based on the 20-day average exchange ratio of 0.2987x;

a premium of 17.8% based on the three-month average exchange ratio of 0.2930x;

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a premium of 18.9% based on the six-month average exchange ratio of 0.2901x; and

a premium of 19.9% based on the one-year average exchange ratio of 0.2877x.

Selected Companies Analysis. Goldman Sachs calculated and compared the ratios of: (1) enterprise value to the estimated calendar year 2007 sales and to the estimated calendar year 2008 sales; (2) price per share to the estimated calendar year 2007 earnings per share and to the estimated calendar year 2008 earnings per share; and (3) estimated calendar year 2008 price to earnings multiple to the estimated long-term growth rate per share, in the case of each of Solectron, Flextronics and the selected companies listed below, based on financial data as of June 1, 2007, information obtained from SEC filings and estimates provided by the Institutional Brokers Estimate System (a data service that compiles estimates issued by securities analysts), or IBES, for the selected companies and for Solectron and Flextronics and based on the closing price of Solectron s common stock as of June 1, 2007. The list of the selected companies is as follows:

Selected Large Cap Electronic Manufacturing Services Companies	Selected Small and Mid Cap Electronic Manufacturing Services Companies
Celestica Inc.	Benchmark Electronics, Inc.
Flextronics	LaBarge, Inc.
Hon Hai Precision Industry Co., Ltd.	Plexus Corp.
Jabil Circuit, Inc.	Sypris Solutions, Inc.
Sanmina-SCI Corporation	
Solectron	

Although none of the other selected companies is directly comparable to Solectron or Flextronics, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Solectron and Flextronics. The results of these analyses are summarized as follows:

Selected Large Cap Electronic Manufacturing Services Companies

	Enterprise Value/ Sales Multiples		Price/Earnings Multiples		PE/ Growth Multiples
Selected Company	**Estimated CY2007**	**Estimated CY2008**	**Estimated CY2007**	**Estimated CY2008**	**Estimated CY2008**
Celestica Inc.	0.2x	0.2x	51.1x	13.3x	0.9x
Flextronics	0.4x	0.3x	12.9x	11.0x	0.5x
Hon Hai Precision Industry Co., Ltd.	0.6x	0.5x	14.5x	11.1x	0.6x
Jabil Circuit, Inc.	0.4x	0.4x	19.9x	13.1x	0.6x
Sanmina-SCI Corporation	0.3x	0.3x	22.0x	13.5x	1.3x
Solectron	0.2x	0.2x	14.5x	12.1x	0.8x
Mean	0.4x	0.3x	22.5x	12.3x	0.8x

Median	0.3x	0.3x	17.2x	12.6x	0.7x

Sources: Latest publicly available financial statements. All projected sales, EBITDA and EPS estimates were calendarized. All projected sales, EBITDA and EPS based on IBES median estimates and Wall Street estimates for Solectron, Flextronics and Hon Hai Precision Industry Co., Ltd.

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Selected Small and Mid Cap Electronic Manufacturing Services Companies

Selected Company	Enterprise Value/ Sales Multiples		Price/Earnings Multiples		PE/ Growth Multiples
	Estimated CY2007	Estimated CY2008	Estimated CY2007	Estimated CY2008	Estimated CY2008
Benchmark Electronics, Inc.	0.4x	0.4x	13.3x	11.5x	0.7x
LaBarge, Inc.	1.0x	1.0x	17.4x	16.4x	NA
Plexus Corp.	0.6x	0.5x	17.1x	15.0x	0.8x
Sypris Solutions, Inc.	0.4x	0.4x	NM(1)	28.4x	NA
Mean	0.6x	0.6x	15.9x	17.9x	0.8x
Median	0.5x	0.5x	17.1x	15.7x	0.8x

Sources: Latest publicly available financial statements. All projected sales, EBITDA and EPS estimates were calendarized. All projected sales, EBITDA and EPS based on IBES median estimates and Wall Street estimates for Solectron, Flextronics and Hon Hai Precision Industry Co., Ltd.

(1) Not meaningful

Illustrative Present Value of Hypothetical Future Share Price Analysis. Goldman Sachs performed an illustrative analysis of the implied present value of the hypothetical future price per share of common stock of Solectron, which is designed to provide an indication of the present value of a hypothetical future value of a company s equity as a function of such company s estimated future earnings and its assumed price to future earnings per share multiple. For certain analyses it performed, Goldman Sachs used financial projections for Solectron prepared by Solectron s management for each of the calendar years 2007 to 2011, referred to in this joint proxy statement/prospectus as the 3% Margin Case. For this analysis, Goldman Sachs used financial projections for calendar year 2009 from the 3% Margin Case. Goldman Sachs first calculated the implied values per share as of June 1, 2007 for calendar year 2009 by applying price to forward earnings per share multiples of 11.0x to 13.0x to earnings per share of Solectron common stock estimates for calendar year 2009, and then discounted the 2009 values back one year, using discount rates ranging from 12.0% to 16.0%. This analysis resulted in a range of implied present values of $3.61 to $4.44 per share of Solectron common stock.

Goldman Sachs also performed the same analysis using other financial projections for Solectron prepared by Solectron s management for each of the calendar years 2007 to 2011, referred to in this joint proxy statement/prospectus as the Target Case, and estimates for Solectron based on Wall Street research for the calendar years 2007 through 2009 with constant revenue growth thereafter through calendar year 2011, referred to in this joint proxy statement/prospectus as the Wall Street Estimates. These analyses resulted in a range of implied present values of $4.67 to $5.74 per share of Solectron common stock for the Target Case and $3.15 to $3.88 per share of Solectron common stock for the Wall Street Estimates.

Discounted Cash Flow Analysis. Goldman Sachs performed an illustrative discounted cash flow analysis to determine a range of implied present values per share of Solectron common stock based on the 3% Margin Case. All cash flows were discounted to March 2, 2007, with mid-year discounting, and terminal values were based upon a perpetuity growth rate for cash flows for calendar years 2012 and beyond. In performing the illustrative discounted cash flow analysis, Goldman Sachs applied discount rates ranging from 12.0% to 16.0% to the projected cash flows of Solectron

for March 2007 through December 2007 and calendar years 2008 to 2011. Goldman Sachs also applied perpetuity growth rates ranging from 2.0% to 6.0%. This analysis resulted in a range of implied present values of $2.97 to $5.45 per share of Solectron common stock.

Goldman Sachs also performed the same analysis using the Target Case and the Wall Street Estimates. These analyses resulted in a range of implied present values of $4.09 to $8.07 per share of Solectron common stock for the Target Case and $2.72 to $4.86 per share of Solectron common stock for the Wall Street Estimates.

Pro Forma Stockholder Value Analyses. Goldman Sachs prepared certain illustrative pro forma analyses of the potential financial impact of the transaction for the combined company, taking into account the Synergies, based on the 3% Margin Case. For these analyses, Goldman Sachs used financial projections for Flextronics prepared by

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its management, as viewed by Solectron s management, for each of the calendar years 2007 to 2011. Goldman Sachs performed these analyses using a 70% stock and 30% cash consideration scenario.

Goldman Sachs performed an illustrative discounted cash flow analysis for the combined company to determine a range of implied potential values to be received by holders of Solectron common stock, taking into account the Synergies, based on the 3% Margin Case. All cash flows were discounted to March 2, 2007, with mid-year discounting, and terminal values were based upon a perpetuity growth rate for cash flows for calendar years 2012 and beyond. In performing the illustrative discounted cash flow analysis, Goldman Sachs applied discount rates ranging from 12.0% to 16.0% to the projected cash flows of the combined company for March 2007 through December 2007 and calendar years 2008 to 2011. Goldman Sachs also applied perpetuity growth rates ranging from 2.0% to 6.0%. The implied potential value to be received by holders of Solectron common stock was then calculated by adding a cash component per share calculated using the price per share to be paid to Solectron stockholders electing to receive the Cash Consideration to an equity value per share calculated using the exchange ratio in the merger agreement against the implied value per share for the combined company, with each component weighted based on a 70% stock and 30% cash consideration scenario. This analysis resulted in a range of implied present values of $3.95 to $8.00 per share of Solectron common stock.

Goldman Sachs also performed the illustrative discounted cash flow analysis for the combined company based on the Target Case and the Wall Street Estimates, in each case, taking into account the Synergies. For the Target Case, Goldman Sachs used financial projections for Flextronics prepared by its management, as viewed by Solectron s management, for each of the calendar years 2007 to 2011. For the Wall Street Estimates, Goldman Sachs used estimates for Flextronics based on Wall Street research for each of the fiscal years 2007 to 2009 with constant revenue growth thereafter through fiscal year 2012; for purposes of comparability with the Solectron financial estimates, these estimates were then calendarized. These analyses resulted in a range of implied present values of $4.25 to $8.69 per share of Solectron common stock for the Target Case and $3.90 to $7.49 per share of Solectron common stock for the Wall Street Estimates.

Goldman Sachs also performed an illustrative analysis of the implied potential value to be received by holders of Solectron common stock, based on an illustrative analysis of the implied present value of the hypothetical future price per share of common stock of the combined company, taking into account the Synergies, based on the 3% Margin Case. Goldman Sachs first calculated the implied values per share as of June 1, 2007 for calendar year 2009 by applying price to forward earnings per share multiples of 11.0x to 13.0x to estimated earnings per share of the combined company s common stock estimates for calendar year 2009, and then discounted the 2009 values back one year, using discount rates ranging from 12.0% to 16.0%. The implied potential value to be received by holders of Solectron common stock was then calculated by adding a cash component per share calculated using the price per share to be paid to Solectron stockholders electing to receive the Cash Consideration to an equity value per share calculated using the exchange ratio in the merger agreement against the estimated hypothetical future price per share of common stock of the combined company, with each component weighted based on a 70% stock and 30% cash consideration scenario. This analysis resulted in a range of implied present values of $4.86 to $5.69 per share of Solectron common stock.

Goldman Sachs also performed the illustrative analysis of the implied hypothetical present value of the future per share common stock price of Solectron based on the Target Case and the Wall Street Estimates, in each case, taking into account the Synergies. These analyses resulted in a range of implied present values of $5.13 to $6.03 per share of Solectron common stock for the Target Case and $4.68 to $5.48 per share of Solectron common stock for the Wall Street Estimates.

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the

analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Solectron or Flextronics or the contemplated transaction.

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Goldman Sachs prepared these analyses for purposes of Goldman Sachs providing its opinion to Solectron s board of directors as to the fairness from a financial point of view to the holders of Shares of the Stock Consideration and the Cash Consideration to be received by such holders, taken in the aggregate. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Solectron, Flextronics, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

The merger consideration was determined through arms -length negotiations between Solectron and Flextronics and was approved by Solectron s board of directors. Goldman Sachs provided advice to Solectron during these negotiations. Goldman Sachs did not, however, recommend any specific amount of consideration to Solectron or its board of directors or that any specific amount of consideration constituted the only appropriate consideration for the transaction.

As described above, Goldman Sachs opinion to Solectron s board of directors was one of many factors taken into consideration by the Solectron board of directors in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex E.

Goldman Sachs and its affiliates, as part of their investment banking business, are continually engaged in performing financial analyses with respect to businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and other transactions as well as for estate, corporate and other purposes. Goldman Sachs has acted as financial advisor to Solectron in connection with, and has participated in certain of the negotiations leading to, the transaction contemplated by the agreement. In addition, Goldman Sachs is providing and has provided certain investment banking services to Solectron from time to time, including having acted as Solectron s financial advisor in connection with the sale of Kavlico Corporation, a former subsidiary of Solectron, in May 2004; as lead manager with respect to an offering of Solectron s 0.50% Convertible Senior Notes due February 2034 (aggregate principal amount $450,000,000) in February 2005; and as co-lead manager with respect to a public offering of Solectron s 8.00% Senior Subordinated Notes due March 2016 (aggregate principal amount $150,000,000) in February 2006. Goldman Sachs also may provide investment banking services to Solectron and Flextronics in the future. In connection with the above-described investment banking services, Goldman Sachs has received, and may receive, compensation.

Goldman Sachs is a full service securities firm engaged, either directly or through its affiliates, in securities trading, investment management, financial planning and benefits counseling, risk management, hedging, financing and brokerage activities for both companies and individuals. In the ordinary course of these activities, Goldman Sachs and its affiliates may provide such services to Solectron, Flextronics and their respective affiliates, may actively trade the debt and equity securities (or related derivative securities) of Solectron and Flextronics (or related derivative securities) for their own account and for the accounts of their customers and may at any time hold long and short positions of such securities.

The board of directors of Solectron selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the transaction. Pursuant to a letter agreement dated May 28, 2007, Solectron engaged Goldman Sachs to act as its financial advisor in connection with the contemplated transaction. Pursuant to the terms of this engagement letter, Solectron has agreed to pay Goldman Sachs a transaction fee based on 0.32% of the aggregate consideration paid in the transaction, 25% of

which became payable upon execution of the merger agreement and the remainder of which is payable upon consummation of the transaction. In addition, Solectron has agreed to reimburse Goldman Sachs for its reasonable expenses, including attorneys fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

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Interests of Solectron s Officers and Directors in the Merger

When considering the Solectron board of directors recommendation that Solectron stockholders vote in favor of the proposal to adopt the merger agreement, Solectron s stockholders should be aware that Solectron s directors and executive officers may have interests in the merger that differ from, or which are in addition to, the interests of Solectron stockholders. These interests create a potential conflict of interest and may be perceived to have affected their decision to support or approve the merger. The Solectron board of directors was aware of these potential conflicts of interest during its deliberations on the merits of the merger and in making its decisions in approving the merger agreement, the merger and the related transactions. These interests include possible continued employment of certain executive officers of Solectron by the combined company, the continuation of indemnification rights and coverage under existing or new directors and officers liability insurance policies, accelerated vesting of stock awards to executive officers and directors and the receipt of other benefits, including accelerated vesting of amounts contributed to the accounts of executive officers in the Solectron Executive Deferred Compensation Plan, that would be triggered by certain terminations on or following the consummation of the merger. Solectron stockholders should be aware of these interests when considering the Solectron board of directors recommendation to adopt the merger agreement.

Treatment of Stock Options and Restricted Stock

Each outstanding option to purchase shares of Solectron common stock with an exercise price equal to or less than $5.00, whether or not exercisable, including those held by executive officers and directors of Solectron, will be assumed by Flextronics and converted into an option to purchase Flextronics ordinary shares. The number of Flextronics ordinary shares issuable upon exercise of each such option will be equal to the number of shares of Solectron common stock subject to the assumed option immediately prior to the effective time of the merger multiplied by 0.3450, rounded down to the nearest whole share. The per share exercise price of each such option will be equal to the exercise price of the assumed Solectron option immediately prior to the effective time of the merger divided by 0.3450, rounded up to the nearest whole cent. The other terms and conditions of each assumed stock option will be the same as those in effect immediately prior to the merger. All other outstanding options to purchase shares of Solectron common stock will accelerate and become immediately exercisable for a period of at least 30 days prior to the effective time, in accordance with the applicable Solectron stock option plan pursuant to which such options were granted, but subject to and conditioned on completion of the merger, and will terminate as of the effective time to the extent not exercised prior thereto.

Holders of shares of Solectron common stock, including executive officers and directors of Solectron, that are unvested or subject to a repurchase option, risk of forfeiture or other similar condition under a restricted stock purchase agreement or other similar arrangement will have the same right to elect to receive cash or Flextronics ordinary shares as other Solectron stockholders. As a result, such shares of Solectron restricted stock will be converted into the right to receive Flextronics ordinary shares (adjusted to reflect the exchange ratio) or cash (in an amount equal to $3.89 per share of Solectron restricted stock), as applicable, subject to the same vesting requirements or other terms and conditions that were applicable to the Solectron restricted stock prior to the effective time of the merger.

Notwithstanding the foregoing, pursuant to employment agreements with and retention arrangements for each of Paul Tufano, Douglas Britt, Todd DuChene, Roop Lakkaraju, Craig London, Marty Neese, Kevin O Connor and David Purvis, the vesting of stock options and restricted stock held by each such executive officer will accelerate upon termination of such individual s employment under circumstances that would otherwise entitle the individual to severance payments pursuant to his employment agreement. See the sections entitled Solectron Employment Agreements beginning on page 69 of this joint proxy statement/prospectus and Solectron Retention Arrangements

beginning on page 72 of this joint proxy statement/prospectus.

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The information in the following table relates to the options (with a per share exercise price equal to or less than $5.00) and restricted shares beneficially owned by Solectron executive officers and directors as of July 1, 2007.

Name	Relationship to Solectron	Aggregate Shares of Solectron Common Stock Subject to Outstanding Options (1)	Aggregate Shares of Solectron Common Stock Subject to Unvested Options (1)	Aggregate Value of Outstanding Options that may Accelerate in Connection with the Merger(1)(2)	Aggregate Shares of Outstanding Restricted Stock (3)	Aggregate Value of Outstanding Restricted Stock that may Accelerate in Connection with the Merger(4)
Paul Tufano	Executive Vice President and Interim President and Chief Executive Officer	750,000	520,834	$ 134,063	1,611,993	$ 6,270,653
Douglas Britt	Executive Vice President, Sales and Account Management	466,000	289,584	$ 91,084	954,750	$ 3,713,978
Todd DuChene	Executive Vice President, General Counsel and Secretary	430,000	287,917	$ 90,867	1,016,843	$ 3,955,519
Roop Lakkaraju	Senior Vice President and Interim Chief Financial Officer	152,500	106,585	$ 35,359	431,200	$ 1,677,368
Craig London	Executive Vice President, Solectron Global Services	750,000	197,917	$ 79,167	1,138,500	$ 4,428,765
Marty Neese	Executive Vice President, Operations	500,000	197,917	$ 79,167	1,002,500	$ 3,899,725
Kevin O Connor	Executive Vice President and Chief Administrative Officer	550,000	197,917	$ 79,167	1,024,750	$ 3,986,278
David Purvis	Executive Vice President and Chief Technical Officer	250,000	197,917	$ 79,167	1,278,500	$ 4,973,365
Perry G. Hayes	Senior Vice President, Treasurer and Investor Relations	405,800	227,234	$ 50,218	197,425	$ 767,983
Warren J. Ligan	Senior Vice President and Chief Accounting Officer	234,500	124,584	$ 34,309	160,450	$ 624,151
All Directors and executive officers as a		5,166,800	2,481,742	$ 816,567	8,816,911	$ 34,297,785

group
(18 individuals)

(1) Reflects options with a per share exercise price equal to or less than $5.00.

(2) Reflects the aggregate market value of unexercised options based on an assumed Solectron stock price of $3.89 per share. For option grants, the value was computed by multiplying (1) the difference between $3.89 and the exercise price of the option, by (2) the number of unexercised options.

(3) Includes the shares of restricted stock to be granted September 3, 2007.

(4) Reflects the aggregate market value of restricted stock (including the value of restricted stock to be granted September 3, 2007) assuming that each holder of restricted stock will elect to receive $3.89 in cash for each share of Solectron common stock. For restricted stock awards, value is computed by multiplying (i) $3.89, by (ii) the number of outstanding shares of restricted stock.

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Solectron Employment Agreements

Solectron and Paul Tufano entered into an Amended and Restated Employment Agreement effective as of March 14, 2007. Pursuant to the terms of Mr. Tufano s agreement, if Mr. Tufano s employment is terminated for reasons other than cause, death or disability, or if he resigns for good reason (as such terms are defined in Mr. Tufano s agreement) and such termination occurs within 12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on Mr. Tufano signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), he will receive the following:

- For a period of 24 months, continuing severance payments of his average base salary and average annual target bonus for the two years prior to termination (or such shorter period if Mr. Tufano was employed for less than two years), to be paid in equal installments in accordance with Solectron s (or its successor s) normal payroll practices;

- All options granted to Mr. Tufano will fully vest and become exercisable for a period of three months following his termination (or, if earlier, until the date the options expire);

- All shares of restricted stock granted to Mr. Tufano will fully vest;

- Mr. Tufano and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for a period of 36 months;

- All amounts contributed by Solectron to Mr. Tufano s account in the Solectron Executive Deferred Compensation Plan will vest and no longer be subject to forfeiture;

- Mr. Tufano will receive other compensation or benefits as may be required by law (such as, for example, COBRA coverage); and

- A gross-up payment to reimburse Mr. Tufano for any taxes payable under Section 4999 of the Code, including taxes payable on such gross-up payment.

If Mr. Tufano s employment is terminated for reasons other than cause, death or disability, or if he resigns for good reason (as such terms are defined in Mr. Tufano s agreement), and such termination occurs prior to or after 12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on Mr. Tufano signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), he will receive the following:

- For a period of 12 months plus one additional month for every full year that Mr. Tufano has been employed (up to a maximum of 24 months) (the Severance Payment Period), continuing severance payments of his base salary and annual target bonus for the year of termination, to be paid periodically in accordance with Solectron s (or its successor s) normal payroll practices;

- All options granted to Mr. Tufano will fully vest and become exercisable and all shares of restricted stock granted to Mr. Tufano will fully vest;

Mr. Tufano and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for the Severance Payment Period;

All amounts contributed by Solectron to Mr. Tufano s account in the Solectron Executive Deferred Compensation Plan will vest and no longer be subject to forfeiture; and

Mr. Tufano will receive other compensation or benefits as may be required by law (such as, for example, COBRA coverage).

Each of Douglas Britt, Todd DuChene, Craig London, Marty Neese, Kevin O Connor and David Purvis entered into employment agreements with Solectron. Pursuant to the terms of such agreements, if the executive is terminated for reasons other than cause, death or disability, or if the executive resigns for good reason (as such terms are defined in the executive officer s employment agreement) and such termination is within 12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on

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the executive signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), the executive will receive the following:

- For a period of 24 months, continuing severance payments of the executive s average base salary and average annual target bonus for the two years prior to the termination (or such shorter period if the executive was employed for less than two years), to be paid in equal installments in accordance with Solectron s normal payroll practices;

- All options granted to the executive will fully vest and become exercisable for a period of three months following his termination (or, if earlier, until the date the options expire);

- All shares of restricted stock granted to the executive will fully vest;

- The executive and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for a period of 36 months;

- The executive will receive other compensation or benefits as may be required by law (for example, COBRA coverage); and

- A gross-up payment to reimburse the executive for any taxes payable under Section 4999 of the Code, including taxes payable on such gross-up payment.

If the executive is terminated for reasons other than cause, death or disability, or if the executive resigns for good reason (as such terms are defined in the executive officer s employment agreement) prior to or after 12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on executive signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), the executive will receive the following:

- For a period of 12 months plus one additional month for every full year that the executive has been employed (up to a maximum of 24 months) (the Severance Payment Period), continuing severance payments of his base salary and annual target bonus for the year of termination, to be paid periodically in accordance with Solectron s (or its successor s) normal payroll practices;

- The executive and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for the Severance Payment Period;

- The executive will receive other compensation or benefits as may be required by law (such as, for example, COBRA coverage); and

- A gross-up payment to reimburse the executive for any taxes payable under Section 4999 of the Code, including taxes payable on such gross-up payment.

Solectron and Roop Lakkaraju entered into an employment agreement effective as of April 17, 2007. Pursuant to the terms of Mr. Lakkaraju s agreement, if Mr. Lakkaraju s employment is terminated for reasons other than cause, or if he resigns for good reason (as such terms are defined in Mr. Lakkaraju s agreement), and such termination occurs within 12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on Mr. Lakkaraju signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), he will receive the following:

For a period of 24 months, continuing severance payments of his average base salary and average annual target bonus for the two years prior to termination (or such shorter period if Mr. Lakkaraju was employed for less than two years), to be paid in equal installments in accordance with Solectron s (or its successor s) normal payroll practices;

All options granted to Mr. Lakkaraju will fully vest and become exercisable for a period of three months following his termination (or, if earlier, until the date the options expire);

All shares of restricted stock granted to Mr. Lakkaraju will fully vest;

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Mr. Lakkaraju and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for a period of 36 months;

All amounts contributed by Solectron to Mr. Lakkaraju s account in the Solectron Executive Deferred Compensation Plan will vest and no longer be subject to forfeiture;

Mr. Lakkaraju will receive other compensation or benefits as may be required by law (such as, for example, COBRA coverage); and

A gross-up payment to reimburse Mr. Lakkaraju for any taxes payable under Section 4999 of the Code, including taxes payable on such gross-up payment.

If Mr. Lakkaraju s employment is terminated for reasons other than cause, death or disability, or if he resigns for good reason (as such terms are defined in Mr. Lakkaraju s agreement), and such termination occurs prior to or after 12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on Mr. Lakkaraju signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), he will receive the following:

For a period of 12 months plus one additional month for every full year that Mr. Lakkaraju has been employed (up to a maximum of 24 months) (the Severance Payment Period), continuing severance payments of his base salary and annual target bonus for the year of termination, to be paid periodically in accordance with Solectron s (or its successor s) normal payroll practices;

Mr. Lakkaraju and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for the Severance Payment Period;

Mr. Lakkaraju will receive other compensation or benefits as may be required by law (such as, for example, COBRA coverage); and

A gross-up payment to reimburse the executive for any taxes payable under Section 4999 of the Code, including taxes payable on such gross-up payment.

Perry Hayes entered into an employment agreement and Warren Ligan entered into a transition agreement with Solectron. Pursuant to the terms of the agreements, if the executive is terminated for reasons other than cause, death or disability, or the executive resigns for good reason (as such terms are defined in the agreements), and such termination is within 12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on executive signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), the executive will receive the following:

For a period of 18 months, continuing severance payments of the executive s average base salary and average annual target bonus for the two years prior to the termination (or such shorter period if the executive was employed for less than two years), to be paid in equal installments in accordance with Solectron s normal payroll practices;

All options granted to the executive will fully vest and become exercisable for a period of three months following his termination (or, if earlier, until the date the options expire);

All shares of restricted stock granted to the executive will fully vest;

The executive and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for a period of 36 months;

The executive will receive other compensation or benefits as may be required by law (such as, for example, COBRA coverage); and

A gross-up payment to reimburse the executive for any taxes payable under Section 4999 of the Code, including taxes payable on such gross-up payment.

If Mr. Hayes employment is terminated for reasons other than cause, death or disability, or if he resigns for good reason (as such terms are defined in the his agreement), and such termination occurs prior to or after

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12 months following a change of control of Solectron (which would include consummation of this merger), then contingent on Mr. Hayes signing and delivering to Solectron (or its successor) a separation agreement and release of claims in a form acceptable to Solectron (or its successor), he will receive the following:

For a period of 12 months plus one additional month for every full year that Mr. Hayes has been employed (up to a maximum of 24 months) (the Severance Payment Period), continuing severance payments of his base salary and annual target bonus for the year of termination, to be paid periodically in accordance with Solectron s (or its successor s) normal payroll practices;

Mr. Hayes and his eligible dependents will continue to receive company-paid coverage for medical, dental, vision and/or financial counseling benefits for the Severance Payment Period;

Mr. Hayes will receive other compensation or benefits as may be required by law (such as, for example, COBRA coverage); and

A gross-up payment to reimburse the executive for any taxes payable under Section 4999 of the Code, including taxes payable on such gross-up payment.

The following table identifies, for each of Messrs. Tufano, Britt, DuChene, Lakkaraju, London, Neese, O Connor, Purvis, Hayes and Ligan, the estimated values of the (i) cash severance payments and, (ii) continued benefit coverage to which each such executive will be entitled pursuant to the agreement described above assuming that the executive is terminated for reasons other than cause, death or disability or, where applicable, resigns for good reason immediately following the effective time of the merger (based on the executive s average base salary and average target bonus for the two years prior to the date of termination):

Name	Estimated Cash Severance Payments(1)	Estimated Value of Continued Benefit Coverage
Paul Tufano	$ 2,500,004	$ 27,882
Douglas Britt	$ 1,496,027	$ 41,823
Todd DuChene	$ 1,425,000	$ 41,823
Roop Lakkaraju	$ 1,540,032	$ 41,823
Craig London	$ 1,848,000	$ 27,882
Marty Neese	$ 1,429,316	$ 13,708
Kevin O Connor	$ 1,498,000	$ 41,591
David Purvis	$ 1,848,000	$ 41,823
Perry Hayes	$ 821,553	$ 27,882
Warren Ligan	$ 936,000	$ 27,882

(1) Reflects the terms of severance payments to be made to executives, but does not reflect any dollar value associated with the accelerated vesting of executives deferred compensation account or any gross-up payments to reimburse the executives for any taxes payable under Section 4999 of the Code.

Solectron Retention Arrangements

On February 27, 2007, in connection with the departure of then Chief Executive Officer Michael Cannon, the Executive Compensation and Management Resources Committee of the Solectron board of directors, referred to in this joint proxy statement/prospectus as the Committee, approved retention arrangements for Messrs. Britt, DuChene, London, Neese, O Connor and Purvis. Under the retention arrangements, Solectron granted to each executive a discounted stock option exercisable for 300,000 shares of Solectron common stock under Solectron s 2002 Stock Plan, referred to in this joint proxy statement/prospectus as the Stock Plan, and committed to grant another discounted stock option exercisable for 300,000 shares to each executive on September 3, 2007. The discounted stock options had an exercise price of $0.001 per share, and are deemed exercised and become shares of restricted stock on the date of grant. As part of the retention arrangements, Solectron also committed to make employer contributions to the Solectron Executive Deferred Compensation Plan, referred to in this joint proxy statement/prospectus as the Deferred Compensation Plan, for the benefit of each executive in the amount of

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$150,000 upon Solectron s announcement of the hiring of a new Chief Executive Officer, and a subsequent employer contribution to the Deferred Compensation Plan for the benefit of each executive in the amount of $150,000 on the one-year anniversary of such announcement. The restricted stock and employer contributions to the Deferred Compensation Plan would vest on October 15, 2008, subject to vesting acceleration under certain circumstances.

In connection with his appointment as Interim President and Chief Executive Officer to replace Mr. Cannon, Solectron and Mr. Tufano entered into an amended and restated employment agreement. Under the terms of Mr. Tufano s amended and restated agreement, Solectron (i) granted a discounted stock option exercisable for 125,000 shares of common stock under the Stock Plan to Mr. Tufano and committed to grant another discounted stock option exercisable for 750,000 shares of common stock to Mr. Tufano on September 3, 2007, and (ii) committed to make an employer contribution to the Deferred Compensation Plan for the benefit of Mr. Tufano in the amount of $300,000 upon Solectron s announcement of the hiring of a new Chief Executive Officer, and a subsequent employer contribution to the Deferred Compensation Plan for the benefit of Mr. Tufano in the amount of $300,000 on the one-year anniversary of such announcement. The discounted stock options had an exercise price of $0.001 per share, and are deemed exercised and become shares of restricted stock on the date of grant. The restricted stock and employer contributions would vest on October 15, 2008, subject to vesting acceleration under certain circumstances.

In connection with the appointment of Roop Lakkaraju as Senior Vice President and Interim Chief Financial Officer to replace Mr. Tufano, who had been Solectron s Chief Financial Officer prior to being named Solectron s Interim President and Chief Executive Officer, the Committee approved the terms of the executive employment agreement to be entered into with Mr. Lakkaraju, which included a retention arrangement whereby, among other things, Solectron (i) granted a discounted stock option exercisable for 300,000 shares of restricted stock under the Stock Plan to Mr. Lakkaraju with 50% of the shares subject to such award vesting on April 10, 2008 and 50% of the shares subject to such award vesting on April 10, 2009, subject to vesting acceleration under certain circumstances and (ii) committed to make an employer contribution to the Deferred Compensation Plan for the benefit of Mr. Lakkaraju in the amount of $100,000 on October 15, 2007, with such contribution vesting upon October 15, 2008, subject to vesting acceleration under certain circumstances. The discounted stock options had an exercise price of $0.001 per share, and are deemed exercised and become shares of restricted stock on the date of grant.

The retention arrangements for each of Messrs. Tufano, Britt, DuChene, London, Neese, O Connor, Purvis, and Lakkaraju described above are individually and collectively referred to in this joint proxy statement/prospectus as the Retention Arrangements.

On June 3, 2007, the Committee approved the contribution and crediting of the Solectron contributions to be made to the Deferred Compensation Plan pursuant to the Retention Arrangements for Messrs. Britt, DuChene, Lakkaraju, London, Neese, O Connor and Purvis to each individual s deferred compensation account as of June 3, 2007, subject to the terms and conditions of the Deferred Compensation Plan. The Committee also approved accelerated vesting of all Solectron contributions to the Deferred Compensation Plan, including Solectron contributions credited to each executive s account under the Deferred Compensation Plan pursuant to the Retention Arrangements, if the Deferred Compensation Plan is terminated. The Committee approved these changes to the Retention Arrangements to reflect the importance to Solectron and its stockholders of retaining these executives, in light of the fact that the contribution trigger for the executives (other than Mr. Lakkaraju), namely the appointment of a new Chief Executive Officer, might not occur in light of the pending merger with Flextronics, and that the Deferred Compensation Plan could be terminated in connection with the merger prior to the vesting of the contributed amounts. In addition, the Committee adopted resolutions to clarify its original intent when it adopted the Retention Arrangements for these executives, namely that such contribution amounts and the equity awards made or to be made to each of Messrs. Britt, DuChene, Lakkaraju, London, Neese, O Connor and Purvis pursuant to the Retention Arrangements would vest in full upon a termination of such individual s employment under circumstances that would otherwise entitle the individual to severance payments pursuant to his employment agreement.

On June 3, 2007, the Solectron board of directors approved the contribution and crediting of the Solectron contributions to be made to the Deferred Compensation Plan pursuant to the Retention Arrangement for Mr. Tufano

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to Mr. Tufano s deferred compensation account as of June 3, 2007, subject to the terms and conditions of the Deferred Compensation Plan. The Solectron board of directors also approved accelerated vesting of all Solectron contributions to the Deferred Compensation Plan, including Solectron contributions credited to Mr. Tufano s account under the Deferred Compensation Plan pursuant to the Retention Arrangement, if the Deferred Compensation Plan is terminated. The Solectron board of directors approved these changes to Mr. Tufano s Retention Arrangement to reflect the importance to Solectron and its stockholders of retaining Mr. Tufano, in light of the fact that the contribution trigger, namely the appointment of a new Chief Executive Officer, might not occur in light of the pending merger with Flextronics and that the Deferred Compensation Plan could be terminated in connection with the merger prior to the vesting of the contributed amounts. In addition, the Solectron board of directors adopted resolutions to clarify its original intent when it adopted the Retention Arrangement for Mr. Tufano, namely that such contribution amounts and the equity awards made or to be made to Mr. Tufano pursuant to the Retention Arrangement would vest in full upon a termination of his employment under circumstances that would otherwise entitle him to severance payments pursuant to his employment agreement.

Continued Benefits

Following the merger, Flextronics will either (i) maintain Solectron s benefit plans (other than Solectron s 401(k) plans unless Flextronics otherwise notifies Solectron that such plans will not be terminated immediately prior to the closing of the merger), (ii) permit each continuing employee of Solectron and its subsidiaries employed immediately prior to the effective time and, as applicable, their eligible dependents, to participate in the employee benefit plans, programs and policies of Flextronics on terms no less favorable than those provided to similarly situated employees of Flextronics, or (iii) a combination of clauses (i) and (ii). All of Solectron s executive officers currently participate or are eligible to participate in Solectron s benefit plans, which include stock plans, medical, dental, vision, prescription drug, life insurance, accidental death and dismemberment insurance, business travel accident insurance, short term and long term disability, employee assistance program, flexible spending accounts, adoption assistance, long-term care insurance, 401(k) plans, bonus plans, deferred compensation plan, and other welfare benefit plans.

Indemnification of Directors and Officers; Directors and Officers Insurance

The merger agreement provides that Flextronics will and will cause the surviving corporation to fulfill and honor Solectron s obligations under any indemnification agreements with its current and former directors and officers and persons who become directors, officers, employees or agents after the date of the merger agreement but before the effective time of the merger. In addition, Flextronics has agreed to cause the surviving corporation to maintain in the certificate of incorporation and bylaws of the surviving corporation provisions relating to exculpation, indemnification and the advancement of expenses that are at least as favorable to the indemnified directors, officers, employees and agents as those contained in Solectron s organizational documents. Flextronics has also agreed to cause the surviving corporation to provide directors and officers liability insurance coverage for persons who immediately prior to the effective time of the merger are covered by Solectron s directors and officers liability insurance, for events occurring prior to the effective time. See the section entitled The Merger Agreement Employee Compensation and Benefits Director and Officer Indemnification and Insurance beginning on page 101 of this joint proxy statement/prospectus.

Board of Directors and Management of the Combined Company

Under the terms of the merger agreement, Flextronics will appoint to its board of directors two individuals designated by Solectron and approved by Flextronics upon consummation of the merger, to hold office until their earlier resignation or removal in accordance with Flextronics s Memorandum and Articles of Association. Following the merger, one or more of the executive officers of Solectron may become executive officers of Flextronics. In connection therewith, Flextronics may enter into compensatory arrangements with one or more executive officers of Solectron, which arrangements may include payments of cash and/or grants of equity securities of Flextronics.

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Material U.S. Federal Income Tax Consequences of the Merger

The following summary discusses the material U.S. federal income tax consequences of the merger applicable to a holder of shares of Solectron common stock. This discussion is based upon the Internal Revenue Code of 1986, as amended, or the Code, U.S. Treasury Regulations, judicial authorities, published positions of the IRS, and other applicable authorities, all as currently in effect and all of which are subject to change or differing interpretations (possibly with retroactive effect). This discussion is limited to U.S. persons that hold their shares of Solectron common stock as capital assets for U.S. federal income tax purposes (generally, assets held for investment). As used in this section, a U.S. person is a citizen or resident of the United States, a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) organized under the laws of the United States or any State or the District of Columbia, an estate the income of which is subject to U.S. federal income taxation regardless of its source, or a trust (other than a grantor trust) if (A) (i) a court within the United States is able to exercise primary supervision over the administration of the trust, and (ii) one or more U.S. persons have the authority to control all substantial decisions of the trust or (B) it has a valid election in place to be treated as a U.S. person.

This discussion does not address all of the tax consequences that may be relevant to particular Solectron stockholders in light of their own investment circumstances, including persons receiving payment for terminated options, or persons who have acquired Solectron stock upon the exercise of stock options or pursuant to other compensatory arrangements, and other Solectron stockholders that are subject to special treatment under U.S. federal income tax laws. Such stockholders would include, for example, stockholders who are not U.S. persons, insurance companies, tax-exempt organizations, financial institutions, investment companies, broker-dealers, mutual funds, real estate investment trusts, partnerships (including for this purpose any entity or arrangement, domestic or foreign, treated as a partnership for U.S. federal income tax purposes), and investors in such entities, U.S. persons whose functional currency is not the U.S. dollar, and stockholders who hold Solectron stock as part of a hedge, straddle, constructive sale or conversion transaction. This discussion does not discuss the tax consequences of transactions effectuated prior or subsequent to, or concurrently with, the merger, whether or not in connection with the merger. This discussion does not address the tax consequences of the merger to a Solectron stockholder who owns directly or indirectly taking into account certain attribution rules including the rules of Treasury Regulations Section 1.367(a)-3(c)(4)(i), five percent or more of the total voting power or value of Flextronics outstanding capital stock immediately after the merger. In addition, this discussion does not address the tax consequences of the merger under state, local, or foreign tax laws. No ruling has been or will be sought from the IRS regarding the tax consequences of the merger, and no assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences set forth below.

Flextronics and Solectron intend that the merger will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code.

Flextronics s and Solectron s obligations to complete the planned two-step merger are conditioned upon Flextronics s receipt at closing of a tax opinion from Curtis, Mallet-Prevost, Colt & Mosle LLP and Solectron s receipt at closing of a tax opinion from Wilson Sonsini Goodrich & Rosati, Professional Corporation, each to the effect that, for U.S. federal income tax purposes, (i) the two-step merger will qualify as a reorganization within the meaning of Section 368(a) of the Code and (ii) no gain (except to the extent of cash received) will be recognized by stockholders of Solectron (other than a Solectron stockholder who owns, directly or indirectly taking into account certain attribution rules including the rules of Treasury Regulations Section 1.367(a)-3(c)(4)(i), five percent or more of the total voting power or value of Flextronics s outstanding capital stock immediately after the merger). These opinions will be based on the truth and accuracy of certain factual representations and covenants made by Flextronics and Solectron (including those contained in tax representation letters to be provided by Flextronics and Solectron at the

time of closing), and on customary factual assumptions, limitations and qualifications. The closing tax opinions do not bind the IRS and do not prevent the IRS from asserting a contrary opinion. In addition, if any of the representations or assumptions upon which the closing tax opinions are based are inconsistent with the actual facts, the tax consequences of the merger could be adversely affected.

If the merger qualifies as a tax-free reorganization under Section 368(a) of the Code, the U.S. federal income tax consequences of the merger to each Solectron stockholder will vary depending on whether that stockholder

receives Flextronics ordinary shares, cash or a combination of cash and Flextronics ordinary shares in exchange for that stockholder s Solectron common stock.

Exchange of Solectron Common Stock for Flextronics Ordinary Shares. Except as discussed below under Cash in Lieu of Fractional Flextronics Ordinary Shares, if a Solectron stockholder receives solely Flextronics ordinary shares in exchange for its shares of Solectron common stock, that stockholder will not recognize gain or loss upon the merger. A Solectron stockholder s aggregate tax basis in the Flextronics ordinary shares that it receives will be equal to the aggregate tax basis of the Solectron common stock that such stockholder surrenders (excluding any portion of its basis in Solectron common stock that is allocated to cash that it receives in lieu of fractional Flextronics ordinary shares), and such stockholder s holding period in Flextronics ordinary shares will include its holding period in the Solectron common stock that it surrenders.

Exchange of Solectron Common Stock for Cash. If a Solectron stockholder receives solely cash in exchange for its Solectron common stock pursuant to the merger, that stockholder will recognize gain or loss equal to the difference between the amount of cash that it receives and the aggregate tax basis of the shares of Solectron common stock that such stockholder surrenders. A Solectron stockholder must calculate gain or loss separately for each block of shares of Solectron common stock if that stockholder purchased blocks of Solectron common stock in different transactions.

Exchange of Solectron Common Stock for a Combination of Flextronics Ordinary Shares and Cash. Except as discussed below under Cash in Lieu of Fractional Flextronics Ordinary Shares, if a Solectron stockholder receives a combination of Flextronics ordinary shares and cash in exchange for shares of Solectron common stock, that stockholder generally will recognize any gain, but not loss, that it realizes pursuant to the merger.

Such stockholder will recognize gain equal to the lesser of:

- the amount of cash that it receives pursuant to the merger; and
- the amount of gain that it realizes pursuant to the merger.

For this purpose, the amount of gain that such stockholder realizes pursuant to the merger will equal the excess, if any, of the sum of:

- the cash that it receives; plus
- the fair market value of Flextronics ordinary shares that it receives, over its tax basis in the Solectron common stock that such stockholder surrenders pursuant to the merger.

For this purpose, each Solectron stockholder must calculate the amount of gain or loss separately for each block of shares of Solectron common stock that it surrenders. Each Solectron stockholder therefore should consult with its own tax advisor with respect to the manner in which cash and Flextronics ordinary shares should be allocated among different blocks of Solectron common stock.

Cash in Lieu of Fractional Flextronics Ordinary Shares. If a Solectron stockholder receives cash instead of a fractional Flextronics ordinary share, it will recognize a taxable gain or loss based upon the difference between the amount of cash that stockholder receives with respect to such fractional share and its tax basis in the shares of Solectron common stock that is allocated to such fractional share.

Character of Recognized Gain and Loss. Any gain that a Solectron stockholder recognizes generally will be treated as capital gain, except that if it receives cash pursuant to the merger, that stockholder s gain could be treated as a dividend

if the receipt of the cash has the effect of a dividend for U.S. federal income tax purposes under Sections 356 and 302 of the Code. See below under Potential Treatment of Cash as a Dividend.

If a Solectron stockholder s holding period in a block of its Solectron common stock is greater than one year as of the consummation of the merger, then such stockholder s capital gain or loss with respect to that block will constitute long-term capital gain or loss. Long-term capital gains will be subject to U.S. federal income tax at a maximum rate of 15% in the hands of certain U.S. holders such as individuals. The use of capital losses to offset ordinary income from other sources is subject to limitations.

Potential Treatment of Cash as a Dividend. In general, the determination of whether the receipt of cash pursuant to the merger will be treated as a dividend depends upon the extent to which a Solectron stockholder s receipt of cash reduces its deemed percentage stock ownership of Flextronics. For purposes of this determination, a Solectron stockholder will be treated as if it first exchanged all of its Solectron common stock solely for Flextronics

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ordinary shares and then Flextronics immediately redeemed, referred to in this joint proxy statement/prospectus as the deemed redemption, a portion of such Flextronics ordinary shares in exchange for the cash that such stockholder actually received. The gain that a Solectron stockholder recognizes pursuant to the merger followed by the deemed redemption will be treated as capital gain if (i) the deemed redemption is substantially disproportionate with respect to such stockholder (and after the deemed redemption such stockholder actually or constructively owns less than 50% of voting power of the outstanding Flextronics ordinary shares) or (ii) the deemed redemption is not essentially equivalent to a dividend.

The deemed redemption generally will be substantially disproportionate with respect to the Solectron stockholder if the percentage of the outstanding Flextronics ordinary shares that it actually and constructively owns immediately after the deemed redemption is less than 80% of the percentage of the outstanding Flextronics ordinary shares that it is deemed actually and constructively to have owned immediately before the deemed redemption. The deemed redemption will not be considered to be essentially equivalent to a dividend, if it results in a meaningful reduction in that stockholder s deemed percentage stock ownership of Flextronics. In applying the above tests, a Solectron stockholder may, under the constructive ownership rules, be deemed to own stock that is owned by other persons or otherwise in addition to the stock such stockholder actually owns or owned. The IRS has ruled that a minority shareholder in a publicly held corporation whose relative stock interest is minimal and who exercises no control with respect to corporate affairs is considered to have a meaningful reduction if the shareholder has even a minor reduction in such shareholder s percentage stock ownership under the above analysis.

As these rules are complex and dependent upon a Solectron stockholder s specific circumstances, each Solectron stockholder should consult its tax advisor to determine whether such stockholder may be subject to these rules.

Any Solectron stockholder who will own 5% or more of either the total voting power or total value of Flextronics s ordinary shares after the merger (taking into account ownership under applicable attribution rules) is subject to additional requirements to avoid recognizing gain on the merger. Any such stockholder should consult its tax advisor.

Treatment of Flextronics and Solectron. No gain or loss will be recognized by Flextronics or Solectron as a result of the merger.

If either Flextronics s counsel or Solectron s counsel is unable to deliver a closing tax opinion, then either Flextronics or Solectron may waive such condition unilaterally on behalf of all parties and the planned two-step merger will not be consummated. Instead, Saturn Merger Corp. will be merged with and into Solectron and Solectron will continue as the surviving corporation and a wholly-owned subsidiary of Flextronics, a transaction that generally would not qualify as a tax-free reorganization under Section 368(a) of the Code. In that event, a Solectron stockholder will recognize gain or loss equal to the difference between the sum of the cash that it receives, plus the fair market value of Flextronics ordinary shares that such stockholder receives, and its tax basis in the Solectron common stock that it surrenders. Any gain that a Solectron stockholder recognizes generally will be treated as capital gain, and if its holding period in a block of its Solectron common stock is greater than one year as of the consummation of the transaction, then that stockholder s capital gain or loss with respect to that block will constitute long-term capital gain or loss. Long-term capital gains will be subject to U.S. federal income tax at a maximum rate of 15% in the hands of certain U.S. holders such as individuals. The use of capital losses to offset ordinary income from other sources is subject to limitations.

Backup Withholding. Any cash payments to Solectron stockholders in connection with the merger may be subject to backup withholding on a holder s receipt of cash, unless such holder furnishes a correct taxpayer identification number and certifies that he or she is not subject to backup withholding. Any amount withheld under the backup withholding rules will generally be allowed as a refund or credit against the holder s U.S. federal income tax liability, provided the required information is furnished to the IRS.

HOLDERS OF SHARES OF SOLECTRON COMMON STOCK ARE URGED TO CONSULT THEIR TAX ADVISORS AS TO THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER, AS WELL AS THE EFFECTS OF STATE, LOCAL, AND FOREIGN TAX LAWS.

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Singapore Tax Considerations

This summary is of a general nature and is included herein solely for informational purposes. It is not intended to be, nor should it be construed as being, legal or tax advice. No representation regarding the consequences to any particular holder of ordinary shares is made. This summary of Singapore tax considerations is based on current law and taxation measures announced in the Singapore Budget Statement 2007, which are subject to change, possibly on a retroactive basis, and is provided for general information. These discussions do not purport to deal with all aspects of taxation that may be relevant to particular shareholders in light of their investment or tax circumstances, or to certain types of shareholders (including insurance companies, tax-exempt organizations, U.S. shareholders who actually or constructively own 10% or more of the total combined voting power of all of Flextronics s outstanding shares, regulated investment companies, partnerships or other pass through entities or investors in such entities, financial institutions or broker-dealers, expatriates and shareholders that are not U.S. shareholders subject to special treatment under the U.S. federal income tax laws). Shareholders should consult their own tax advisors regarding the particular tax consequences to such shareholders of any investment in Flextronics s ordinary shares. In this summary, references to S$ are to Singapore dollars.

Income Taxation Under Singapore Law

Under current provisions of the Income Tax Act, Chapter 134 of Singapore, corporate profits are taxed at a rate equal to 20% with effect from the year of assessment 2005. Pursuant to the Budget Statement 2007, the corporate tax rate in Singapore is 18% from the year of assessment 2008 (that is, in respect of income earned during the financial year or other fiscal period ending in 2007), In addition, pursuant to the Budget Statement 2007, 75% of up to the first S$10,000, and 50% of up to the next S$290,000 of a company s chargeable income (other than Singapore dividends received by the company) will be exempt from corporate tax with effect from the year of assessment 2008.

Singapore does not impose withholding tax on dividends. Prior to January 1, 2003, Singapore applied a full imputation system to all dividends (other than exempt dividends) paid by a Singapore resident company. With effect from January 1, 2003, tax on corporate profits is final and dividends paid by a Singapore resident company will be tax exempt in the hands of a shareholder, whether or not the shareholder is a company or an individual and whether or not the shareholder is a Singapore resident. However, if the resident company was previously under the imputation system and has unutilized dividend franking credits as at December 31, 2002, there will be a 5-year transition period from January 1, 2003 to December 31, 2007, during which a company may remain on the imputation system. Dividends declared by non-resident companies are not subject to the imputation system.

Under current Singapore tax law there is no tax on capital gains, and, thus, any profits from the disposal of shares are not taxable in Singapore unless the gains arising from the disposal of ordinary shares is construed to be of an income nature and subject to tax, especially if they arise from activities which Inland Revenue Authority of Singapore regards as the carrying on of a trade or business in Singapore (in which case, the disposal profits would be taxable as trade profits rather than capital gains).

There is no stamp duty payable in respect of the holding of ordinary shares. No duty is payable on the acquisition of new ordinary shares. Where existing shares are acquired in Singapore, stamp duty is payable on the instrument of transfer of the ordinary shares at the rate of S$2 for every S$1,000 of the market value of the ordinary shares. The stamp duty is borne by the purchaser unless there is an agreement to the contrary. Where the instrument of transfer is executed outside of Singapore, stamp duty must be paid if the instrument of transfer is received in Singapore. Under Article 22(iii) of Flextronics s Articles of Association, Flextronics s directors are authorized to refuse to register any instrument of transfer of shares unless such instrument is accompanied by a certificate of payment of stamp duty (if

any).

Singapore Estate Taxation

In the case of an individual who was not domiciled in Singapore and who died before January 1, 2002, a Singapore estate tax is imposed on the value of all movable and immovable properties situated in Singapore. Flextronics s ordinary shares are considered to be movable property situated in Singapore. Thus, the estate of an individual shareholder who was not domiciled in Singapore at the time of his or her death before January 1, 2002

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will be subject to Singapore estate tax on the value of any such ordinary shares held by the individual upon the individual s death. Such estate will be required to pay Singapore estate tax to the extent that the value of the ordinary shares (or in aggregate with any other assets subject to Singapore estate tax) exceeds S$600,000. Any such excess will be taxed at a rate equal to 5% on the first S$12,000,000 of the individual s Singapore chargeable assets and thereafter at a rate equal to 10%. If an individual not domiciled in Singapore dies on or after January 1, 2002, no estate duty is payable on his moveable property in Singapore.

Tax Treaties Regarding Withholding Taxes

There is no reciprocal income tax treaty between the United States and Singapore regarding withholding taxes on dividends and capital gains.

HOLDERS OF SHARES OF SOLECTRON COMMON STOCK ARE URGED TO CONSULT THEIR TAX ADVISORS AS TO THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER, AS WELL AS THE EFFECTS OF STATE, LOCAL, AND FOREIGN TAX LAWS.

Accounting Treatment of the Merger

In accordance with United States generally accepted accounting principles, Flextronics will account for the merger using the purchase method of accounting. Under this method of accounting, Flextronics will record the market value (based on an average of Flextronics s closing share prices for the five trading days beginning two days before and ending two trading days after the date on which the number of Flextronics s ordinary shares to be issued is known) of its ordinary shares issued in connection with the merger, the amount of cash consideration to be paid to holders of Solectron common stock, the fair value of vested options assumed, and the amount of direct transaction costs associated with the merger as the estimated purchase price of acquiring Solectron. Flextronics will allocate the estimated purchase price to the net tangible and amortizable intangible assets acquired (including contractual agreements, customer relationships, licenses, patents and trademarks and developed technologies), based on their respective fair values at the date of the completion of the merger. Any excess of the estimated purchase price over those fair values will be accounted for as goodwill.

Intangible assets, other than goodwill and indefinite-lived intangible assets, if any, will be amortized over their estimated useful lives. Goodwill resulting from the business combination will not be amortized but instead will be tested for impairment at least annually (more frequently if certain indicators are present).

In the event that the management of the combined company determines that the value of goodwill has become impaired, the combined company will incur an accounting charge for the amount of impairment during the fiscal quarter in which the determination is made.

Flextronics Financing

Flextronics estimates that it will require up to approximately $1.9 billion to pay the cash portion of the merger consideration, including acquisition and financing related costs, assuming holders of 50% of Solectron s outstanding shares elect to receive cash. In addition, upon consummation of the merger, the surviving corporation will be required to offer to repurchase Solectron s outstanding $150 million of 8.00% Senior Subordinated Notes due 2016 and $450 million of 0.5% Convertible Senior Notes due 2034 at a price of 101% and 100%, respectively, of the principal amount of the notes outstanding, plus accrued and unpaid interest up to, but excluding, the date of repurchase.

Flextronics currently has a $2.0 billion credit facility through a syndicate of banks led by Bank of America, N.A. Simultaneously with execution of the merger agreement, Flextronics and Citigroup agreed to the terms of a

commitment letter pursuant to which Citigroup has committed to provide Flextronics with a seven-year, senior unsecured term loan facility of up to $2.5 billion to fund the cash requirements for the transaction, including the refinancing of Solectron s debt, if required. Under the terms of Citigroup s commitment letter, the availability of the term loan is subject to customary conditions precedent. The commitments under the commitment letter will expire on the earliest of (i) March 31, 2008, (ii) the date the term loan becomes effective, and (iii) the termination of the merger agreement.

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The term loan facility proposed by the commitment letter would have a term of seven years and would be unconditionally guaranteed, on a joint and several basis, by Flextronics s direct and indirect domestic subsidiaries that are or become guarantors under the existing $2.0 billion credit facility. Borrowings under the term loan facility would bear interest, at Flextronics s option, either at: (i) the specified base rate (the greater of Citibank, N.A. s base rate, the three-moth certificate of deposit rate plus 0.50% and the federal funds rate plus 0.50%), plus a margin of 1.00% per annum, or (ii) LIBOR (the London Interbank Offered Rate) plus a margin of 2.00% per annum. The commitment letter provides that the amount of the term loan facility will be reduced by the amount of any other borrowings made by Flextronics in connection with the financing of the merger and the amount by which the cash portion of the merger consideration is less than $1.8 billion.

Any portion of the term loan facility not drawn at closing would be available as a delayed draw facility. Flextronics would be required to pay to Citigroup a commitment fee on the undrawn portion of the term loan facility from the closing date until the 45th calendar day after the closing date at a per annum rate of 0.25% and from and after the 45th calendar day after closing at a per annum rate of 0.50%.

The representations and warranties, covenants and events of default under the term loan facility documentation would be the same (subject to conforming changes) as the representations and warranties, covenants and events of default under Flextronics s existing $2.0 billion credit facility documentation.

The documentation governing the term loan has not been finalized and, accordingly, the actual terms of the loan may differ from those described above.

The merger is not conditioned on receipt of financing by Flextronics and Flextronics continues to evaluate alternative long-term financing arrangements.

Regulatory Filings and Approvals Required to Complete the Merger

In order to complete the merger, Flextronics and Solectron must notify, furnish information to, and, where applicable, obtain clearance from competition authorities in Brazil, Canada, China, the European Union, Mexico, Turkey and Ukraine. Flextronics and Solectron will also notify and furnish information to, on a voluntary basis, the competition authorities in Singapore. The merger is also subject to U.S. antitrust laws and, as such, is subject to review by the DOJ and/or the FTC under the HSR Act. Flextronics and Solectron made their filings under the HSR Act on June 15, 2007, and have made the necessary filings and requests with competition authorities in Brazil on June 26, 2007, in Canada on July 6, 2007, in China on July 19, 2007, in Mexico on July 6, 2007, in Turkey on July 3, 2007 and in Ukraine on July 6, 2007. Flextronics and Solectron expect to file a voluntary notification of the merger in Singapore in mid-August 2007. Pursuant to a request for early termination, the applicable waiting period under the HSR Act was terminated on July 16, 2007. In addition, Canadian competition authorities cleared the transaction on July 30, 2007 and Ukrainian competition authorities cleared the transaction on August 3, 2007.

Although Flextronics and Solectron expect to obtain the required regulatory approvals in the remaining jurisdictions, there can be no assurance that Flextronics and Solectron will obtain all necessary regulatory approvals necessary or that the granting of these regulatory approvals will not involve the imposition of conditions on the completion of the merger or require changes to the terms of the merger. These conditions or changes could require the grant of a complete or partial license, a divestiture or spin-off, or the holding separate of assets or businesses and, if such required actions are not immaterial, could result in the conditions to Flextronics s obligation to complete the merger not being satisfied. Pursuant to the terms of the merger agreement, Flextronics is not required to agree to any divestiture of any shares of capital stock or of any business, assets or properties of Flextronics or its subsidiaries or affiliates (including Solectron or its subsidiaries) that will have or would reasonably be expected to have a material adverse effect on the benefits expected to be derived from the merger. In addition, Flextronics may refuse to complete

the merger if governmental authorities impose any material restrictions or limitations on Flextronics, Solectron or their respective subsidiaries and their ability to conduct their respective businesses that will have or would reasonably be expected to have a material adverse effect on the benefits expected to be derived from the merger. Flextronics and Solectron also may agree to restrictions or conditions imposed by antitrust authorities in order to obtain regulatory approval. In addition, at any time before or after the completion of the merger, competition authorities in various jurisdictions could take action under the applicable laws, including seeking to prevent the merger, to rescind the merger or to conditionally approve the merger upon the divestiture by Solectron or

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Flextronics of substantial assets. In some jurisdictions, a competitor, customer or other third party could initiate a private action under the antitrust or other laws challenging or seeking to enjoin the merger, before or after it is completed.

Stock Exchange Listing; Delisting and Deregistration

The Flextronics ordinary shares to be issued in the merger will continue to trade on the NASDAQ Global Select Market under the symbol FLEX.

When the merger is completed, Solectron common stock will be delisted from the New York Stock Exchange and deregistered under the Exchange Act. In addition, Solectron will cease to be a reporting company under the Exchange Act with respect to its common stock. Further, Solectron Global Services Canada Inc. exchangeable shares will be delisted from the Toronto Stock Exchange.

Restrictions on Sales of Flextronics Ordinary Shares Received in the Merger

The Flextronics ordinary shares to be issued in connection with the merger will be registered under the Securities Act and will be freely transferable, except for Flextronics ordinary shares issued to any person who is deemed to be an affiliate of Solectron prior to the merger. Persons who may be deemed to be affiliates of Solectron prior to the merger include individuals or entities that control, are controlled by, or are under common control of Solectron, prior to the merger, and may include officers and directors, as well as principal stockholders of Solectron, prior to the merger. Affiliates of Solectron will be notified separately of their affiliate status.

Persons who may be deemed to be affiliates of Solectron prior to the merger may not sell any Flextronics ordinary shares received by them in connection with the merger except pursuant to:

an effective registration statement under the Securities Act covering the resale of those shares;

an exemption under paragraph (d) of Rule 145 under the Securities Act; or

any other applicable exemption under the Securities Act.

Flextronics s registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, does not cover the resale of Flextronics ordinary shares to be received in connection with the merger by persons who may be deemed to be affiliates of Solectron prior to the merger.

Legal Proceedings Relating to the Merger

On June 4, 2007, a purported class action complaint was filed in the Superior Court of the State of California, County of Santa Clara, alleging breach of fiduciary duty of the directors of Solectron and seeking to enjoin the merger. While this case is in the early stages, Solectron believes that it is without merit. Any judgments, however, in respect of this or similar lawsuits that are adverse to Flextronics and Solectron may adversely affect Flextronics s and Solectron s ability to consummate the merger.

Appraisal Rights

Solectron stockholders that hold Solectron common stock are entitled to appraisal rights if they comply with certain provisions of the General Corporation Law of the State of Delaware, or the DGCL.

Additionally, under the DGCL, if the record holder of the one share of Solectron Series B Preferred Stock does not cast any votes in favor of the adoption of the merger agreement at the Solectron special meeting, then the record holder has the right to seek an appraisal of, and to be paid the fair value (as defined pursuant to Section 262 of the DGCL) for, the Series B Preferred Stock if the stockholder complies with the provisions of Section 262 of the DGCL.

With respect to the one share of Solectron Series B Preferred Stock, Solectron believes that if Computershare, as trustee under the Voting and Exchange Trust Agreement, exercises any of the votes attached to the one share of Solectron Series B Preferred Stock to vote in favor of the proposal to adopt the merger agreement, then the trustee will not be entitled under Section 262 to an appraisal of the one share of Solectron Series B Preferred Stock or any

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interest therein. Accordingly, Solectron believes that, if the trustee is instructed by at least one holder of Solectron Global Services Canada Inc. exchangeable shares to cast at least one vote at the Solectron special meeting in favor of the proposal to adopt the merger agreement and the trustee complies with these instructions, the trustee will not be entitled to an appraisal of the one share of Solectron Series B Preferred Stock or any interest therein under Section 262.

The following discussion is not a complete statement of appraisal rights under Delaware law and is qualified in its entirety by the full text of Section 262 of the DGCL, which explains the procedures and requirements for exercising statutory appraisal rights and which is attached as Annex G to this joint proxy statement/prospectus and incorporated herein by reference. All references in this summary to a stockholder are to the record holder of the shares of Solectron common stock as to which appraisal rights are asserted. Stockholders intending to exercise appraisal rights should carefully review Annex G.

This joint proxy statement/prospectus constitutes notice to Solectron stockholders concerning the availability of appraisal rights under Section 262 of the DGCL.

A stockholder who wishes to exercise appraisal rights should carefully review the following discussion and Annex G to this joint proxy statement/prospectus, because failure to fully comply with the procedures required by Section 262 of the DGCL will result in the loss of appraisal rights.

Under the DGCL, Solectron stockholders have the right, subject to compliance with the requirements summarized below, to dissent and demand an appraisal by the Delaware Court of Chancery of the fair value of their shares of Solectron common stock and to be paid in cash such amount in lieu of the merger consideration if the merger is consummated. For this purpose, the fair value of Solectron shares of common stock will be their fair value, excluding any element of value arising from the consummation or expectation of consummation of the merger, and including a fair rate of interest, if any, as determined by that court.

Stockholders who desire to exercise their appraisal rights must satisfy all of the conditions of Section 262 of the DGCL, including:

Written Demand for Appraisal Prior to the Vote at the Special Meeting. A stockholder must deliver to Solectron a written demand for appraisal, meeting the requirements of Section 262 of the DGCL, before the taking of the stockholders vote on the adoption of the merger agreement at the special meeting. Voting against or abstaining with respect to the adoption of the merger agreement, failing to return a proxy or returning a proxy voting against or abstaining with respect to the proposal to adopt the merger agreement will not constitute the making of a written demand for appraisal. The written demand for appraisal must be in addition to and separate from any proxy, abstention from the vote on the merger agreement or vote against the merger agreement. The written demand must reasonably inform Solectron of the identity of the stockholder and of the stockholder s intent thereby to demand appraisal of such stockholder s shares. Failure to timely deliver a written demand for appraisal will cause a stockholder to lose his, her or its appraisal rights.

Refrain from Voting in Favor of Adoption of the Merger Agreement. In addition to making a written demand for appraisal, a stockholder must not vote his, her or its shares of Solectron capital stock in favor of the adoption of the merger agreement. A submitted proxy not marked AGAINST or ABSTAIN will be voted in favor of the proposal to adopt the merger agreement and will result in the waiver of appraisal rights. A stockholder that has not submitted a proxy will not waive his, her or its appraisal rights solely by failing to vote if the stockholder satisfies all other provisions of Section 262 of the DGCL.

Continuous Ownership of Solectron Common Stock. A stockholder must also continuously hold his, her or its shares of Solectron stock from the date the stockholder makes the written demand for appraisal through the effective time of the merger. Accordingly, a stockholder who is the record holder of shares of Solectron stock on the date the written demand for appraisal is made but who thereafter transfers the shares prior to the effective time of the merger will lose any right to appraisal with respect to such shares.

Petition with the Chancery Court. Within 120 days after the effective date of the merger (but not thereafter), either the surviving corporation or any stockholder who has complied with the requirements

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of Section 262 of the DGCL, which are summarized above, must file a petition in the Delaware Court of Chancery demanding a judicial determination of the fair value of the shares of Solectron stock held by all stockholders who are entitled to appraisal rights. This petition in effect initiates a court proceeding in Delaware. Neither Solectron, if it is the surviving corporation, nor Saturn Merger II Corp., if it is the surviving corporation, has any intention at this time to file such a petition if a demand for appraisal is made, and stockholders seeking to exercise appraisal rights should not assume that Solectron or Saturn Merger II Corp., as the case may be, will file such a petition or that Solectron will initiate any negotiations with respect to the fair value of such shares. Accordingly, because Solectron (or Saturn Merger II Corp., as the case may be) has no obligation to file such a petition, if no stockholder files such a petition with the Delaware Court of Chancery within 120 days after the effective date of the merger, appraisal rights will be lost, even if a stockholder has fulfilled all other requirements to exercise appraisal rights. If such a petition is filed, the Delaware Court of Chancery could determine that the fair value of shares of Solectron common stock is more than, the same as, or less than the merger consideration.

A written demand for appraisal must be executed by or on behalf of the stockholder of record, fully and correctly, as such stockholder s name appears on the stock certificate. If the shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, this demand must be executed by or for the fiduciary. If the shares are owned by or for more than one person, as in a joint tenancy or tenancy in common, such demand must be executed by or for all joint owners. An authorized agent, including an agent for two or more joint owners, may execute the demand for appraisal for a stockholder of record. However, the agent must identify the record owner and expressly disclose the fact that, in exercising the demand, he is acting as agent for the record owner. **A person having a beneficial interest in Solectron common stock held of record in the name of another person, such as a broker or nominee, must act promptly to cause the record holder to follow the required steps summarized herein in a timely manner to perfect whatever appraisal rights the beneficial owner may have.**

A stockholder who elects to exercise appraisal rights should mail or deliver his, her or its written demand to Solectron s principal executive offices at Solectron Corporation, 847 Gibraltar Drive, Milpitas, California, 95035, Attention: Corporate Secretary. The written demand for appraisal should state the stockholder s name and mailing address, the number of shares of Solectron capital stock owned by the stockholder and must reasonably inform Solectron that the stockholder intends thereby to demand appraisal of his, her or its shares of Solectron capital stock. Within ten days after the effective date of the merger, Solectron will provide notice of the effective date of the merger to all Solectron stockholders who have complied with Section 262 of the DGCL and have not voted for the merger.

A record holder, such as a broker, fiduciary, depositary or other nominee, who holds shares of Solectron capital stock as a nominee for others, may exercise appraisal rights with respect to the shares held for all or less than all beneficial owners of shares as to which such person is the record owner. In such case, the written demand must set forth the number of shares covered by such demand. Where the number of shares is not expressly stated, the demand will be presumed to cover all shares of Solectron capital stock outstanding in the name of such record owner.

Within 120 days after the effective date of the merger (but not thereafter), any stockholder who has satisfied the requirements of Section 262 of the DGCL may deliver to the surviving corporation a written demand for a statement listing the aggregate number of shares not voted in favor of the merger and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. The surviving corporation must mail such written statement to the stockholder within ten days after the stockholders request is received by the surviving corporation or within ten days after the latest date for delivery of a demand for appraisal under Section 262 of the DGCL, whichever is later.

Upon the filing of a petition in the Court of Chancery of the State of Delaware within 120 days after the effective date of the merger as set forth above, by a stockholder demanding a determination of the fair value of Solectron capital

stock, service of a copy of the petition must be made upon the surviving corporation. The surviving corporation must then, within 20 days after service, file in the office of the Register in Chancery in which the petition was filed, a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached. If the surviving corporation files a petition, the petition must be accompanied by the duly verified list. The Register

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in Chancery, if so ordered by the court, will give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving corporation and to the stockholders shown on the list at the addresses therein stated, and notice also will be given by publishing a notice at least one week before the day of the hearing in a newspaper of general circulation published in the City of Wilmington, Delaware, or such publication as the court deems advisable. The court must approve the forms of the notices by mail and by publication, and the surviving corporation must bear the costs of the notices.

At the hearing on the petition, the Court of Chancery of the State of Delaware will determine which stockholders have become entitled to appraisal rights. The court may require the stockholders who have demanded an appraisal for their shares (and who hold stock represented by certificates) to submit their stock certificates to the Register in Chancery for notation of the pendency of the appraisal proceedings and the Court of Chancery of the State of Delaware may dismiss the proceedings as to any stockholder that fails to comply with such direction.

After determining which stockholders are entitled to appraisal rights, the court will appraise the shares owned by these stockholders, determining the fair value of such shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest to be paid, if any, upon the amount determined to be the fair value. In determining such fair value, the court shall take into account all relevant factors. **Solectron stockholders considering seeking appraisal of their shares should note that the fair value of their shares determined under Section 262 of the DGCL could be more than, the same as or less than the consideration they would receive pursuant to the merger agreement if they did not seek appraisal of their shares.** In determining the fair rate of interest, the court may consider all relevant factors, including the rate of interest which the surviving corporation would have had to pay to borrow money during the pendency of the proceeding. Upon application by the surviving corporation or by any stockholder entitled to participate in the appraisal proceeding, the court may, in its discretion, permit discovery or other pretrial proceedings and may proceed to trial upon the appraisal prior to the final determination of the stockholders entitled to an appraisal. Any stockholder whose name appears on the verified list filed by the surviving corporation and who has submitted such stockholder s certificates of stock to the Register in Chancery, if such is required, may participate fully in all proceedings until it is finally determined that such stockholder is not entitled to appraisal rights under this section.

The court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving corporation to the stockholders entitled thereto. Interest may be simple or compound, as the court may direct. The court s decree may be enforced as other decrees in the Court of Chancery may be enforced.

The costs of the appraisal proceeding may be determined by the court and taxed against the parties as the court deems equitable under the circumstances. Upon application of a stockholder who has perfected appraisal rights, the court may order that all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorney s fees and the fees and expenses of experts, be charged pro rata against the value of all shares entitled to appraisal.

If a stockholder demands appraisal rights in compliance with the requirements of Section 262 of the DGCL, then, after the effective time of the merger, such stockholder will not be entitled to: (i) vote such stockholder s shares of Solectron capital stock for any purpose; or (ii) receive payment of dividends or other distributions on such stockholder s shares that are payable to stockholders of record at a date after the effective time of the merger.

A stockholder may withdraw his, her or its demand for appraisal rights and accept the merger consideration at any time within 60 days after the effective time of the merger, or at any time thereafter with the surviving corporation s written approval. Notwithstanding the foregoing, no appraisal proceeding in the Delaware Court of Chancery shall be dismissed as to any stockholder without the approval of the court, and such approval may be conditioned upon such terms as the court deems just. If any Solectron stockholder withdraws his, her or its demand for appraisal rights, then

his, her or its shares of Solectron common stock will be automatically converted into the right to receive Flextronics ordinary shares, cash without interest or a combination of the two, pursuant to the merger agreement.

Any stockholder wishing to exercise appraisal rights is urged to consult legal counsel before attempting to exercise appraisal rights. Failure to comply strictly with all of the procedures set forth in Section 262 of the DGCL may result in the loss of a stockholder s statutory appraisal rights.

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THE MERGER AGREEMENT

The following is a summary of the material terms of the merger agreement. This summary does not purport to describe all of the terms of the merger agreement and is qualified by reference to the merger agreement attached as Annex A-1 to this joint proxy statement/prospectus, which represents the merger agreement for the first step of the integrated two-step merger or, if applicable, for the single step merger. We urge you to read carefully the full text of the merger agreement, which is incorporated herein by reference.

Explanatory Note Regarding Summary of Merger Agreement and Representations and Warranties in the Merger Agreement

The summary of the terms of the merger agreement is intended to provide information about the terms of the merger. Except for its status as a legal document governing the contractual rights among the parties thereto in relation to the proposed merger and the other transactions contemplated thereby, the merger agreement is not intended to be a source of factual or operational information about Flextronics, Solectron or their respective businesses. The representations and warranties contained in the merger agreement are not necessarily accurate or complete as made and may be subject to exceptions set forth in the disclosure schedules provided in accordance with the merger agreement. Such representations, warranties and covenants have been negotiated by Solectron and Flextronics for the purpose of allocating contractual risk between the parties, including where the parties do not have complete knowledge of all the facts, and not for the purpose of establishing matters as facts. In particular, the representations and warranties made by the parties to each other in the merger agreement have been negotiated between the parties with the principal purpose of setting forth their respective rights with respect to their obligation to close the merger should events or circumstances change or be different from those stated in the representations and warranties. Matters may change from the state of affairs contemplated by the representations and warranties. The representations and warranties also may be subject to a contractual standard of materiality different from those generally applicable to investors. Flextronics and Solectron will provide additional disclosure in their public reports to the extent that they are aware of the existence of any material facts that are required to be disclosed under U.S. federal securities law and that might otherwise contradict the terms and information contained in the merger agreement and will update such disclosure as required by federal securities laws. Investors are not third-party beneficiaries under the merger agreement and any stockholder of Solectron or shareholder of Flextronics or any potential investor should not rely on the representations, warranties and covenants therein or any descriptions thereof as characterizations of the actual state of facts or condition of the parties or any of their affiliates.

The Merger

Under the merger agreement, the merger will be structured as an integrated two-step transaction. In the first step, Saturn Merger Corp. will merge with and into Solectron, with Solectron continuing as the surviving corporation and becoming a wholly-owned subsidiary of Flextronics. In the second step, which will occur immediately following the first step, Solectron, as the surviving corporation of the first merger, will merge with and into Saturn Merger II Corp., a second wholly-owned subsidiary of Flextronics, with Saturn Merger II Corp. continuing as the surviving corporation and as a wholly-owned subsidiary of Flextronics.

If, however, Flextronics and Solectron are unable to obtain opinions of counsel to the effect that, for federal income tax purposes, the two-step merger, as part of an integrated plan, generally will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code, the merger may be structured as a one-step transaction with Saturn Merger Corp. merging with and into Solectron, with Solectron continuing as the surviving corporation and becoming a wholly-owned subsidiary of Flextronics.

Unless we expressly specify otherwise, (i) when we refer to the merger in this joint proxy statement/prospectus, we mean both steps of the two-step merger or if the merger is effected as a single merger of Saturn Merger Corp. into Solectron, that single merger, and (ii) when we refer to the surviving corporation we mean Saturn Merger II Corp. as the surviving corporation of the two-step merger or if the merger is effected as a single merger of Saturn Merger Corp. into Solectron, Solectron.

As of the effective time of the merger, the certificate of incorporation and bylaws of the surviving corporation of the merger will be amended to be identical to the certificate of incorporation and bylaws, respectively, of Saturn

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Merger Corp. immediately prior to the effective time of the merger, except that the certificate of incorporation of the surviving corporation will provide that name of the surviving corporation is Solectron Corporation. Also as of the effective time of the merger, the individuals who are officers and directors of Saturn Merger Corp. immediately prior to the effective time of the merger will be the officers and directors of the surviving corporation.

Completion and Effectiveness of the Merger

Flextronics and Solectron will complete the merger when all of the conditions to completion of the merger contained in the merger agreement described in the section entitled Conditions to Completion of the Merger beginning on page 104 of this joint proxy statement/prospectus are satisfied or waived, including adoption of the merger agreement by the stockholders of Solectron and the approval of the issuance of the Flextronics ordinary shares by the shareholders of Flextronics. The merger will become effective at the time specified in the certificate of merger to be filed with the Secretary of State of the State of Delaware.

Merger Consideration

Conversion of Solectron Common Stock

Under the merger agreement, upon completion of the merger each share of Solectron common stock will be converted into the right to receive 0.3450 of an ordinary share of Flextronics or $3.89 in cash, without interest, as merger consideration. Solectron s stockholders will be able to elect to receive Flextronics ordinary shares or cash consideration. However, each Solectron stockholder will be able to elect only one type of consideration for all of the Solectron common stock it owns, subject to proration as described below. Shares of Solectron common stock held by Solectron, Flextronics or any of their wholly-owned subsidiaries will be canceled and extinguished and no merger consideration will be delivered in exchange for those shares. The procedures by which Solectron s stockholders elect to receive the form of consideration are summarized below under Election of Merger Consideration.

Limitations on Stock and Cash Consideration

Under the merger agreement, at least 50%, but no more than 70%, of the shares of Solectron common stock outstanding immediately prior to completion of the merger (which, throughout this joint proxy statement/prospectus, assumes that each exchangeable share of Solectron Global Services Canada Inc. not held by Solectron, its subsidiaries and its affiliates is exchanged for one share of common stock of Solectron) will be converted into the right to receive Flextronics ordinary shares, and at least 30% but no more than 50%, of the shares of Solectron common stock outstanding immediately prior to completion of the merger will be converted into the right to receive cash.

Based on the shares of Solectron common stock outstanding as of June 1, 2007, and on the exchange ratio of 0.3450 Flextronics ordinary shares per share of Solectron common stock, if 50% of Solectron stockholders made an election to receive Flextronics ordinary shares, Flextronics would issue approximately 160,562,866 ordinary shares in the merger and if 70% of Solectron stockholders elected to receive Flextronics ordinary shares, Flextronics would issue approximately 224,788,013 ordinary shares in the merger. These numbers include any shares of restricted stock of Solectron or similar Solectron stock subject to a repurchase option, risk of forfeiture or other condition (including, without limitation, restrictions on transferability). In addition, each option to acquire Solectron common stock that is outstanding immediately before the merger, whether or not then exercisable, with an exercise price equal to or less than $5.00, will be assumed by Flextronics and converted into an option or other right to acquire Flextronics ordinary shares after the merger with the number of shares and the exercise price to be adjusted based upon the exchange ratio. As of June 1, 2007, options to acquire approximately 22,320,863 shares of Solectron common stock with an exercise price equal to or less than $5.00 were outstanding, which based upon the 0.3450 exchange ratio will be converted into options and other rights to acquire approximately 7,700,698 Flextronics ordinary shares.

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Proration if Stock Limit is Exceeded

If Solectron stockholders elect to receive Flextronics ordinary shares in respect of an aggregate of more than 70% of the number of shares of Solectron common stock outstanding immediately prior to completion of the merger, then:

- Solectron stockholders that elect to receive cash or that make no election or are deemed to have made no election will receive cash; and

- each Solectron stockholder that elects to receive Flextronics ordinary shares will receive (i) Flextronics ordinary shares in respect of a number of its shares of Solectron common stock calculated as the product of (A) the number of shares of Solectron common stock it holds and (B) a fraction, the numerator of which is 70% of the aggregate number of shares of Solectron common stock outstanding immediately prior to the effective time and the denominator of which is the aggregate number of shares of Solectron common stock for which stock elections have been made, plus (ii) cash for its remaining shares of Solectron common stock.

Proration if Cash Limit is Exceeded

If Solectron stockholders elect to receive cash in respect of an aggregate of more than 50% of the number of shares of Solectron common stock outstanding immediately prior to completion of the merger, then:

- Solectron stockholders who elect to receive Flextronics ordinary shares or that make no election or are deemed to have made no election will receive Flextronics ordinary shares; and

- each Solectron stockholder that elects to receive cash will receive (i) cash in respect of a number of its shares of Solectron common stock calculated as the product of (A) the number of shares of Solectron common stock it holds and (B) a fraction, the numerator of which is 50% of the aggregate number of shares of Solectron common stock outstanding immediately prior to the effective time and the denominator of which is the aggregate number of shares of Solectron common stock for which cash elections have been made, plus (ii) Flextronics ordinary shares for its remaining shares of Solectron common stock.

Allocation of Non-Election Shares if Stock and Cash Limits Have Not Been Exceeded

If Solectron stockholders elect to receive Flextronics ordinary shares in respect of an aggregate of 70% or less, and cash in respect of an aggregate of 50% or less, of the number of shares of Solectron common stock outstanding immediately prior to completion of the merger, then:

- Solectron stockholders who elect to receive Flextronics ordinary shares will receive Flextronics ordinary shares;

- Solectron stockholders who elect to receive cash will receive cash; and

- each Solectron stockholder that does not make an election will receive (i) cash in respect of a pro rata portion of the shares of Solectron common stock it holds, based on (x) the difference between the maximum aggregate number of shares of Solectron common stock that the merger agreement provides will be converted into the right to receive cash and the aggregate number of shares of Solectron common stock that Solectron stockholders elect to convert into the right to receive cash, as a percentage of (y) the aggregate number of shares of Solectron common stock with respect to which no elections have been made, plus (ii) Flextronics ordinary shares for such stockholder s remaining shares of Solectron common stock.

Treatment of Solectron Restricted Stock

Holders of shares of Solectron common stock that are unvested or subject to a repurchase option, risk of forfeiture or other similar condition under a restricted stock purchase agreement or other similar arrangement will have the same right to elect to receive cash or Flextronics ordinary shares as other Solectron stockholders. Therefore, such shares of Solectron restricted stock will be converted into Flextronics ordinary shares or cash, as applicable, and will thereafter have the same terms and conditions that were applicable to the Solectron restricted stock prior to the effective time of the merger (including the same vesting requirements), except that, in the case of a

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stock election, the number of Flextronics ordinary shares will be adjusted to reflect the exchange ratio, and in the case of a cash election, each such share of restricted Solectron common stock will become a right to receive $3.89 in cash, without interest, upon vesting.

Treatment of Dissenting Shares

Holders of Solectron capital stock (including holders of common stock and the record holder of the one share of Series B Preferred Stock outstanding) that do not vote in favor of, or otherwise consent to, the adoption of the merger agreement and that demand appraisal rights with respect to their stock may be entitled to appraisal rights under Delaware General Corporation Law in connection with the merger. If the merger is consummated, a holder of record of shares of Solectron common stock or the Series B Preferred Stock that complies with the statutory procedures will be entitled to have those shares appraised by the Delaware Court of Chancery under Section 262 of the Delaware General Corporation Law and to receive payment for the appraised value of those shares instead of the consideration provided for in the merger agreement. See the section entitled The Merger Appraisal Rights on page 81 of this joint proxy statement/prospectus.

Fractional Shares

Flextronics will not issue any fractional shares in connection with the merger. Instead, each holder of Solectron common stock exchanged in connection with the merger who would otherwise be entitled to receive a fraction of a Flextronics ordinary share will receive cash, without interest, in an amount equal to 0.3450 multiplied by the average closing price of Flextronics s ordinary shares reported on the NASDAQ Global Select Market on each of the five consecutive trading days ending on the trading day immediately preceding the closing date of the merger.

Adjustments to Merger Consideration

If, between the date of the merger agreement and the effective time of the merger, there is a stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into Flextronics ordinary shares or Solectron common stock), reorganization, recapitalization, reclassification or other like change with respect to Flextronics ordinary shares or Solectron common stock, then the merger consideration will be appropriately adjusted to reflect such change.

The exchange agent and the surviving corporation will be entitled to deduct and withhold from the merger consideration payable or otherwise deliverable to Solectron stockholders amounts, if any, that are required to be deducted and withheld under any United States federal, state or local, or any foreign tax, laws.

Election of Merger Consideration

At the time this joint proxy statement/prospectus is provided to Solectron stockholders, the merger agreement provides that the exchange agent will mail an election form to Solectron stockholders which is to be used to elect the form of merger consideration they wish to receive. The exchange agent will also make available election forms to holders of Solectron common stock who request such forms before the election deadline described below.

To make an election, a holder of Solectron common stock must submit a properly completed election form to the exchange agent by the election deadline. For an election to be effective, it must be actually received by the exchange agent by the election deadline. Solectron stockholders that do not timely or otherwise properly submit election forms will be deemed not to have made elections. Solectron stockholders that fail to perfect their demand for appraisal, or that withdraw or otherwise lose their rights to appraisal, will also be deemed not to have made elections.

The deadline for Solectron stockholders to submit their election forms will be 5:00 p.m., New York City Time, on the later of (i) the date of the Solectron stockholders meeting and (ii) a date mutually agreed to by Flextronics and Solectron that is as near as practicable to 10 business days prior to the expected closing date of the merger agreement. Flextronics and Solectron will issue a press release announcing the date of the election deadline not more than 15, but at least 10, business days prior to the election deadline.

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Elections may be revoked or changed by written notice received by the exchange agent before the election deadline (accompanied by a new properly completed and signed election form in the event of a changed election).

Insofar as the exchangeable shares will be exchanged for shares of Solectron common stock prior to the effective time of the merger, holders of exchangeable shares will be entitled to participate directly in the merger, in all respects, as holders of shares of Solectron common stock. Therefore, as provided in the merger agreement, this joint proxy statement/prospectus and the accompanying election form is also being mailed to holders of exchangeable shares that are entitled to direct votes attaching to the one share of Series B Preferred Stock of Solectron. The exchange agent will also make election forms available to holders of exchangeable shares that request such forms before the election deadline. Holders of exchangeable shares must observe the same procedures, restrictions and requirements as holders of Solectron common stock in order for their election to be timely and properly made.

Exchange of Solectron Stock Certificates; Distributions of Flextronics Shares and Cash

Exchange Agent; Exchange Fund

In accordance with the merger agreement, Flextronics has appointed Computershare Shareholder Services, Inc. as the exchange agent for the merger. Flextronics will make available to the exchange agent stock certificates and cash in sufficient amounts to be delivered and paid as the merger consideration, including any amounts to be paid in lieu of fractional shares.

Exchange of Stock Certificates

After the effective date of the merger, each certificate or uncertificated share that previously represented shares of Solectron common stock will only represent the right to receive the ordinary shares of Flextronics and/or the cash consideration (and cash in lieu of fractions thereof) into which those shares of Solectron common stock have been converted.

As promptly as practicable after the effective time of the merger, the exchange agent will mail to each Solectron stockholder immediately prior to the effective time a letter of transmittal, together with instructions, to be used to surrender certificates representing Solectron common stock and uncertificated shares of Solectron common stock in exchange for the merger consideration. Holders of Solectron common stock that properly surrender their Solectron stock certificates or deliver their uncertificated shares of Solectron common stock in accordance with the letter of transmittal will receive (i) the Flextronics ordinary shares issuable to them pursuant to the merger, (ii) cash in lieu of any fractional Flextronics ordinary shares issuable to them, and/or (iii) cash consideration payable to them pursuant to the merger, and (iv) any dividends or other distributions to which they are entitled under the terms of the merger agreement. Former holders of exchangeable shares that properly surrender their exchangeable share certificates in accordance with the letter of transmittal will be treated as holders of Solectron common stock for purposes of the foregoing.

Lost Certificates

If a Solectron stock certificate is lost, stolen or destroyed, the holder of the certificate must deliver an affidavit prior to receiving any merger consideration. Flextronics may also, in its reasonable discretion, require the delivery of an indemnity bond.

Transfers of Ownership

Flextronics will issue, as applicable, (i) Flextronics ordinary shares, (ii) the cash consideration, (iii) cash in lieu of fractional shares, and/or (iv) any dividends or distributions that may be payable in a name other than the name in which a surrendered Solectron stock certificate is registered only if the person requesting such exchange presents to the exchange agent all documents required to show and effect the unrecorded transfer of ownership and to show that such person paid any applicable stock transfer taxes.

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Dividends and Distributions with Respect to Unexchanged Stock Certificates

If any dividend or other distribution is declared with respect to Flextronics ordinary shares with a record date that is after the effective time, the Flextronics ordinary shares to be issued as merger consideration will be entitled to participate in such dividend or other distribution. Upon surrender of certificates representing Solectron common stock or delivery of uncertificated shares of Solectron common stock in exchange for the merger consideration, Flextronics will pay to the holders thereof, without interest, the amount of any such dividends or other distributions to which they are entitled and which had or have a payment date prior to on the date of such surrender or delivery. Flextronics will not pay any dividends or other distributions with a record date after the effective time of the merger to any holder of shares of Solectron common stock until and unless the holder surrenders its Solectron stock certificates or delivers its uncertificated shares of Solectron common stock.

Termination of the Exchange Fund

At any time after the twelve month anniversary of the effective time of the merger, Flextronics may require the exchange agent to return to Flextronics all share certificates and cash held by the exchange agent for delivery and payment to former stockholders of Solectron pursuant to the merger. Thereafter, former stockholders of Solectron may look only to Flextronics for any merger consideration and any cash payment relating to any dividends or distributions to which they may be entitled upon surrender of their certificates representing shares of Solectron common stock.

None of Solectron, Flextronics, the surviving corporation or the exchange agent will be liable to any holder of Solectron common stock for any shares (or any related dividends or distributions) properly delivered to a public official under any applicable abandoned property, escheat or similar law.

Representations and Warranties

The merger agreement contains a number of representations and warranties with respect to Solectron and Flextronics. The representations and warranties are subject, in some cases, to specified exceptions and qualifications.

Although both Solectron and Flextronics have made representations and warranties in respect of many of the same matters, the representations and warranties of Solectron made by Solectron are generally more comprehensive that those made by Flextronics.

Representations and Warranties by both Parties

Flextronics and Solectron have made similar representations and warranties relating to the following matters:

- corporate organization, power and authority;
- outstanding shares, options, warrants and convertible securities;
- corporate authority to enter into, and complete the transactions under, the merger agreement; and enforceability of the merger agreement;
- the unanimous approval by their respective boards of directors of the merger agreement and the transactions contemplated by the merger agreement;

absence of any conflict or violation of their respective charter documents, legal requirements or contracts as a result of the merger;

regulatory approvals required to complete the merger;

filings with the SEC, financial statements and the absence of undisclosed material liabilities;

internal controls over financial reporting and disclosure controls and procedures;

the absence since March 2, 2007 in the case of Solectron and March 31, 2007 in the case of Flextronics through, in each case, the date of the merger agreement of (i) any material adverse effect or any event, change

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or development reasonably expected to have, individually or in the aggregate, a material adverse effect, and (ii) certain other events and occurrences that would require the consent of the other party if they took place between the signing and the closing of the merger agreement;

the filing of required tax returns, payment of taxes and certain other tax matters;

real and personal properties and assets;

intellectual property matters;

governmental authorizations;

litigation and similar legal proceedings;

compliance with laws;

environmental matters;

employee benefit plans;

certain material contracts to which either Solectron, Flextronics or any of their respective subsidiaries is a party;

insurance matters;

compliance with the Foreign Corrupt Practices Act of 1977;

information supplied for inclusion in this joint proxy statement/prospectus; and

brokers and finders fees owed in connection with the merger.

Additional Representations and Warranties by Solectron

Solectron has made additional representations and warranties relating to:

labor matters;

related party transactions;

anti-takeover statutes; and

the opinion received from its financial advisor with respect to the merger.

Additional Representations and Warranties by Flextronics

Flextronics has made additional representations and warranties relating to:

the operations of Saturn Merger Corp.; and

the availability of certain financing commitments and the sufficiency of funds to pay the cash consideration in the merger.

Solectron s Conduct of Business Before Completion of the Merger

Conduct of Business in the Ordinary Course

Under the merger agreement, Solectron has agreed that, until the earlier of the completion of the merger or termination of the merger agreement, except as contemplated by the merger agreement or required by applicable law, or unless Flextronics consents in writing, Solectron and each of its subsidiaries will carry on their business in the usual, regular and ordinary course, in substantially the same manner as previously conducted, and in compliance with all applicable laws and regulations, pay their debts and obligations when due, subject to good faith disputes over such debts and obligations, and use reasonable best efforts consistent with past practice to preserve intact their present business organization and employee base and preserve their relationships with customers, suppliers, licensors, licensees and others with which they have business dealings.

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Certain Restrictions

Under the merger agreement, Solectron also has agreed that, until the earlier of the completion of the merger or termination of the merger agreement, except as contemplated by the merger agreement or required by applicable law, or unless Flextronics consents in writing, it will not (and will not permit its subsidiaries to), subject to specified exceptions:

adopt or propose any change to its certificate of incorporation or bylaws;

declare, set aside or pay dividends or make any other distributions in respect of any capital stock, or effect any stock splits, combinations or reclassifications or issue or authorize the issuance of any other securities in respect of its capital stock;

purchase, redeem or otherwise acquire any shares of Solectron capital stock or the capital stock of any subsidiary except for unvested shares of Solectron restricted stock;

issue, sell, transfer, pledge, redeem, accelerate rights under, dispose of or encumber (or authorize any of the preceding) any shares of Solectron capital stock of any class or any options, warrants, convertible securities or other rights of any kind to acquire any shares of Solectron capital stock, or any other ownership interest in Solectron or any of its subsidiaries, other than:

issue Solectron common stock pursuant to the exercise of Solectron stock options outstanding on the date of the merger agreement or otherwise permitted by the merger agreement;

grant purchase rights in the ordinary course of business consistent with past practices under Solectron s employee stock purchase plan; and

grant Solectron options in the ordinary course of business consistent with past practices, provided that:

such grants of options and rights under Solectron s employee stock purchase plan shall not exceed the equivalent of 20,000 shares of Solectron common stock individually or 500,000 shares of Solectron common stock in the aggregate, in each case, in any 3 month period;

such options may only be granted to employees of Solectron, or its subsidiaries, who have an annual base salary of no more than $100,000 (or its equivalent in a foreign currency);

options may only be granted with an exercise price equal to the grant date fair market value of Solectron s common stock;

no restricted stock may be granted; and

no options may contain change of control provisions;

(provided, however, that the Solectron Retention Arrangements described in Interests of Solectron s Officers and Directors in the Merger Solectron Retention Arrangements are excluded from the limitations described immediately above);

enter into a new line of business;

acquire or agree to acquire by merging or consolidating with, or by purchasing any equity or voting interest in or all or substantially all the assets of, or by any other manner, any business or other entity or division;

except for purchases of inventory in the ordinary course of business consistent with past practice, acquire, agree to acquire, solicit or participate in any negotiations with respect to the acquisition of, any assets that are material, individually or in the aggregate, to the business of Solectron and its subsidiaries for consideration in excess of $5,000,000 in any one case or $25,000,000 in the aggregate;

enter into any agreement with respect to the formation of any joint ventures, strategic partnerships or alliance;

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except for sales and licenses in the ordinary course of business consistent with past practice, sell, lease, license, sell and leaseback, mortgage, encumber or otherwise dispose of any properties or assets that are material, individually or in the aggregate, to the business of Solectron and its subsidiaries taken as a whole;

effect any material restructuring activities, including any material reductions in force, except for its previously announced restructuring activities;

make any loans, extensions of credit or financing, advances or capital contributions to, or investments in, or grant extended payment terms to any other person or entity, other than loans or investments by Solectron or a wholly-owned subsidiary to or in Solectron or a wholly-owned subsidiary, employee loans or advances for expenses in the ordinary course of business consistent with past practice and in accordance with applicable law, or extensions of credit or financing to, or extended payment terms for, customers made in the ordinary course of business consistent with past practice;

except as required by generally accepted accounting principles, as concurred by Solectron s independent auditors, make any change in accounting methods or principles of accounting or revalue any of its assets;

amend any material tax returns, make or change any material election relating to taxes, adopt or change any material accounting method relating to taxes (unless required by the Code), or settle, consent or enter into any closing agreement relating to any audit or consent to any waiver of the statutory period of limitations of any audit;

cancel, terminate (without a reasonable substitute), materially amend or enter into any material insurance policy other than the renewal of existing policies;

pay, discharge, settle or satisfy any claims, litigation, liabilities or obligations, other than the payment, discharge, settlement or satisfaction in the ordinary course of business of liabilities that are not material, individually or in the aggregate, to Solectron and its subsidiaries and that are incurred in the ordinary course of business;

except as required by legal requirements or pursuant to contracts binding on Solectron or its subsidiaries on the date of the merger agreement:

- increase in any manner the compensation or fringe benefits of, or pay or grant any bonus, change of control, severance or termination pay to, any employees, service providers or directors of Solectron or its subsidiaries, other than increases or payments to non-officer employees in the ordinary course and consistent with past practice;

- adopt or amend any employee benefit plan or make any contributions, other than regularly scheduled contributions, to any employee benefit plan;

- waive any stock repurchase rights, accelerate, amend or change the vesting period or exercisability of options, reprice options or authorize cash payments in exchange for options;

- subject to certain exceptions, enter into, modify or amend any material management, employment, settlement, consulting, contractor, indemnification or other agreement or contract with any employees or service providers pursuant to which Solectron or its subsidiaries has or may have liability;

enter into any agreement the benefits of which are contingent or the terms of which are materially altered upon the occurrence of a transaction involving Solectron of the nature contemplated by the merger agreement; or

enter into, adopt or amend any collective bargaining agreement, bonus, profit-sharing, thrift, pension, retirement or other similar benefit plan or arrangement covering any employees or service providers;

provided that Solectron or its subsidiaries may:

enter into employment agreements, offer letters or retention arrangements with non-officer employees in the ordinary course of business consistent with past practices; and

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increase annual compensation of non-officer employees and provide for or amend bonus arrangements for non-officer employees in the ordinary course of compensation reviews consistent with past practice and which does not result in material increases in benefits or compensation expenses;

provided, further, that the Solectron Retention Arrangements described in The Merger Interests of Solectron s Officers and Directors in the Merger Solectron Retention Arrangements are excluded from the limitations described immediately above and Solectron may take any and all action necessary to implement and satisfy its obligations under such agreements;

enter into any agreement that would subject Flextronics or the surviving corporation or their businesses to any non-compete, most-favored nation, unpaid future deliverables rights, exclusivity or other material restrictions;

provide any material refund, credit or rebate to any customer, reseller or distributor other than in the ordinary course of business consistent with past practice;

incur, assume or guarantee any indebtedness, issue or sell any debt securities or options, warrants or other rights to acquire debt securities, enter into any keep well or other agreement to maintain any financial statement condition of another person, other than:

in connection with the financing of ordinary course trade payables consistent with past practice;

pursuant to existing credit facilities as in effect on the date of the merger agreement; or

loans, investments, or guarantees by Solectron or any of its subsidiaries to, in or of its subsidiaries;

create or incur any lien on any material asset of Solectron or any of its subsidiaries other than in the ordinary course of business consistent with past practice;

enter into, modify or amend or terminate any material contract or waive, release or assign any material rights under any material contracts other than in the ordinary course of business consistent with past practice;

take any action with the intent or for the purpose of preventing, impairing or delaying the merger or the other transactions contemplated by the merger agreement or that would reasonably be expected to prevent, impair, delay or adversely affect Flextronics s and Solectron s ability to obtain the governmental approval for the consummation of the merger or the other transactions contemplated by the merger agreement; or

take, or commit or agree to, or announce the intention to take, any of the foregoing actions.

Cooperation Regarding Tax Audits

Solectron has agreed that during the period between the date of the merger agreement and the effective time of the merger it will:

keep Flextronics fully informed of the status of its discussions with any tax authority in respect of any audit relating to a material amount of taxes;

consult with Flextronics in respect of, and provide Flextronics the opportunity to participate in, devising the strategy for dealing with such tax authority in the course of such audit; and

obtain Flextronics s prior consent before proposing in writing any settlement or other resolution to any such audit.

Flextronics s Conduct of Business Before Completion of the Merger

Under the merger agreement, Flextronics has agreed that, until the earlier of the completion of the merger or termination of the merger agreement, except as contemplated by the merger agreement or required by applicable

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law, or unless Solectron consents in writing, it will not (and will not permit its subsidiaries to), subject to specified exceptions:

adopt or propose any change to Flextronics s memorandum and articles of association in any manner that would reasonably be likely to prevent or materially delay or impair the merger or the consummation of the transactions contemplated by the merger agreement;

declare, set aside or pay any cash dividends on or make any other cash distributions;

adopt a plan of complete or partial liquidation, dissolution or recapitalization or a plan of reorganization;

take any action with the intent or for the purpose of preventing, impairing or delaying the merger or the other transactions contemplated by the merger agreement or that would reasonably be expected to prevent, impair, delay or adversely affect Flextronics s and Solectron s ability to obtain governmental approval for the consummation of the merger or the other transactions contemplated by the merger agreement; or

take, or commit, agree or announce the intention to take, any of the foregoing actions.

Preparation of the Joint Proxy Statement/Prospectus and the Registration Statement

The merger agreement provides that as promptly as reasonably practicable following its execution, Flextronics and Solectron will prepare and file with the SEC this joint proxy statement/prospectus and Flextronics will prepare and file with the SEC the registration statement in which this joint proxy statement/prospectus will be included as a prospectus. Flextronics and Solectron will provide each other with any information required in order to prepare and file the joint proxy statement/prospectus and the registration statement.

Each of Flextronics and Solectron will respond to any comments received from the SEC and will use reasonable best efforts to the cause the registration statement to be declared effective as promptly as practicable after it is filed and to keep the registration statement effective for as long as is necessary to consummate the merger and the transactions contemplated by the merger agreement. Flextronics and Solectron have agreed to notify each other promptly upon the receipt of any comments from the SEC in connection with the joint proxy statement/prospectus, the registration statement, and/or any filing required pursuant to Regulation M-A promulgated by the SEC and to consult with each other and to prepare written responses to such comments and provide each other with copies of all related correspondence with the SEC. Flextronics and Solectron have also agreed to promptly inform each other if any event occurs which requires that this joint proxy statement/prospectus and/or the registration statement be amended or supplemented and to cooperate with each other in filing with the SEC and/or mailing such amendment or supplement to the stockholders of Solectron and/or the shareholders of Flextronics, as required. Subject to certain exceptions, Flextronics and Solectron have agreed to cooperate and provide the other with a reasonable opportunity to review and comment on any amendment or supplement to this joint proxy statement/prospectus and the registration statement prior to filing such amendment or supplement with the SEC, and to provide each other with a copy of all such filings made with the SEC.

Solectron and Flextronics have agreed to cause the joint proxy statement/prospectus to be delivered to their stockholders or shareholders, as applicable, at the earliest practicable time after the registration statement is declared effective by the SEC.

Stockholders Meetings; Boards of Directors Recommendations

Solectron s and Flextronics s Obligations to Convene Meeting and Solicit Approval

Solectron has agreed to take all actions necessary in accordance with Delaware General Corporation Law to call, hold and convene a meeting of its stockholders to consider and vote on the adoption of the merger agreement, and Flextronics has agreed to take all actions necessary in accordance with applicable laws of Singapore to convene and hold a meeting of its shareholders to consider and vote on the approval of the issuance of Flextronics ordinary shares to be issued in the merger. Solectron and Flextronics have agreed that the meetings of their stockholders or shareholders, as applicable, will take place as promptly as practicable after the registration statement is declared

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effective by the SEC, and in any event within 45 days after the mailing of this joint proxy statement/prospectus to their stockholders and shareholders.

In connection with the meetings of their stockholders or shareholders, as applicable, Solectron and Flextronics have agreed to use reasonable best efforts to solicit from their stockholders or shareholders, as applicable, proxies in favor of the adoption of the merger agreement, in the case of the Solectron stockholders, and the issuance of the Flextronics ordinary shares, in the case of the Flextronics shareholders, or otherwise to secure the required vote or consent for such matters.

Solectron and Flextronics have also agreed that their respective boards of directors will unanimously recommend that their stockholders or shareholders, as applicable, vote in favor of the adoption of the merger agreement, in the case of the Solectron board of directors, and the issuance of the Flextronics ordinary shares, in the case of the Flextronics board of directors, and, except with respect to the Solectron board of directors (as described in Solectron s Right to Change its Recommendation) that neither of such boards of directors nor any committee thereof will withhold, withdraw, amend or modify in any manner adverse to the other party the board s unanimous recommendation.

Certain Permitted Disclosures in Respect of Other Transactions

Notwithstanding the obligations described in the preceding paragraphs, the board of directors of each of Solectron and Flextronics may take and disclose to their stockholders or shareholders, as applicable, a position contemplated by Rules 14d-9 and 14e-2(a) promulgated under the Exchange Act, and may make any other statement or disclosure if it determines, in good faith after consultation with outside counsel, that the failure to make such statement or disclosure would reasonably be expected to be a beach of its fiduciary duties under applicable law. If, however, the board of directors of either Solectron or Flextronics makes any disclosure contemplated by the preceding sentence and does not re-affirm its unanimous recommendation of the merger, it will be deemed to have withheld, withdrawn, amended or modified its unanimous recommendation in a manner adverse to the other party.

Solectron s Right to Change its Recommendation

Notwithstanding Solectron s board of directors obligations described in the preceding paragraphs, (i) in response to a superior offer, the board of directors of Solectron may withhold, withdraw, amend or modify its unanimous recommendation in favor of the merger, and (ii) in response to an unsolicited superior offer, the board of directors of Solectron may approve, endorse or recommend the superior offer, and Solectron may terminate the merger agreement in order to enter into an agreement providing for such superior offer, in the case of each of clauses (i) and (ii) if all of the following conditions are met:

- the superior offer has not been withdrawn;
- the board of directors of Solectron has determined in good faith, after consultation with Solectron s financial advisor and outside legal counsel, that the failure to take the proposed action would reasonably be expected to be a breach of its fiduciary duties to its stockholders under applicable law;
- the stockholders of Solectron have not yet approved the adoption of the merger agreement;
- Solectron has provided Flextronics, at least five business days prior to publicly taking or disclosing the proposed action contemplated by clauses (i) and/or (ii) above, written notice of its receipt of the superior offer, which must state expressly the most recent terms and conditions of the superior offer, the identity of the third party or group making the superior offer, and that Solectron intends to take the proposed action contemplated by clauses (i) and/or (ii) above; and

during the five business day period described in the preceding bullet, Solectron provides Flextronics with a reasonable opportunity to make adjustments to the terms and conditions of the merger agreement and to negotiate in good faith with respect to such adjustments, so as would enable Solectron to proceed with its recommendation to its stockholders in favor of the adoption of the merger agreement.

A superior offer is a bona fide offer or proposal by a third party relating to any transaction or series of related transactions involving any of the following on terms that the Solectron board of directors in good faith concludes,

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after consultation with outside legal counsel and its financial advisor, taking into account, among other things, all legal, financial, regulatory and other aspects of the offer and the third party making the offer, to be more favorable to Solectron s stockholders (in their capacities as stockholders) from a financial point of view than the terms of the merger under the merger agreement:

any purchase from Solectron or other acquisition by any person or group (including through a tender offer or an exchange offer) of more than a 90% interest in the total outstanding voting securities of Solectron or any of its subsidiaries;

any merger, consolidation, business combination or similar transaction involving Solectron or any of its subsidiaries, other than transactions involving only Solectron and/or one or more of its subsidiaries;

any sale, lease outside the ordinary course of business, exchange, transfer, license outside the ordinary course of business, acquisition or disposition of more than 90% of the assets of Solectron (including its subsidiaries taken as a whole); or

any liquidation or dissolution of Solectron.

Solectron s board of directors may also withhold, withdraw, amend or modify its recommendation in favor of the merger for any reason other than in response to a superior offer if all of the following conditions are met:

the board of directors of Solectron has determined in good faith, after consultation with Solectron s financial advisor and outside legal counsel, that the failure to so withhold, withdraw, amend or modify its recommendation would reasonably be expected to be a breach of its fiduciary duties to its stockholders under the Delaware General Corporation Law;

the stockholders of Solectron have not yet approved the adoption of the merger agreement;

Solectron has provided Flextronics, at least five business days prior to publicly withholding, withdrawing, amending or modifying its recommendation, written notice of the proposed withholding, withdrawal, amendment or modification, which must state expressly that Solectron is proposing to withhold, withdraw, amend or modify its recommendation, and the reasons for the proposed change; and

during the five business day period described in the preceding bullet, Solectron negotiates in good faith with Flextronics so as to enable Solectron to proceed with its recommendation to the Solectron stockholders in favor of the adoption of the merger agreement.

Regardless of whether the board of directors of Solectron has received an acquisition proposal or has withheld, withdrawn, amended or modified its recommendation to its stockholders in favor of the adoption of the merger agreement, except in specified circumstances where Solectron has terminated the merger agreement in accordance with its terms and conditions, Solectron is obligated under the terms of the merger agreement to call, give notice of, convene and hold the meeting of its stockholders to consider and vote on the proposal to adopt the merger agreement.

Solectron s Agreement not to Solicit Other Transactions

Termination of Existing Activities

Under the merger agreement, Solectron agreed to cease, as of the date of the merger agreement, all activities, discussions and/or negotiations by Solectron and its subsidiaries with any third parties with respect to any acquisition

proposal (as defined below).

No Solicitation

Solectron also has agreed that none of it, any of its subsidiaries or any of its or its subsidiaries officers or directors will, and Solectron will use reasonable best efforts to cause its affiliates, subsidiaries, agents and representatives not to, directly or indirectly:

solicit, initiate, facilitate or encourage, the making, submission or announcement of, any acquisition proposal;

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enter into or participate in any discussions or negotiations with any third party regarding any acquisition proposal;

furnish any non-public information relating to Solectron or its subsidiaries or afford access to its business, properties, assets, books or records to, or otherwise cooperate with, or assist, participate in, facilitate or encourage any effort by, any third party, concerning the making of any proposal that constitutes or would reasonably be expected to lead to, any acquisition proposal;

except under specified circumstances, approve, endorse or recommend any acquisition proposal; or

execute or enter into, or agree to execute or enter into, any letter of intent or similar document or any contract, agreement or commitment contemplating or otherwise relating to any acquisition proposal or any transaction contemplated by such an acquisition proposal.

In addition, Solectron has agreed not to submit, or propose to submit, to the vote of its stockholders any acquisition proposal.

An acquisition proposal is any offer or proposal relating to any transaction or series of related transactions involving:

any purchase from Solectron or acquisition by any person or group (including through a tender offer or exchange offer) of more than a 20% interest in the total outstanding voting securities of Solectron or any of its subsidiaries;

any merger, consolidation, business combination or similar transaction involving Solectron or any of its subsidiaries, other than transactions involving only Solectron and/or one or more of its subsidiaries;

any sale, lease outside the ordinary course of business, exchange, transfer, license outside the ordinary course of business, acquisition or disposition of more than 20% of the assets of Solectron (including its subsidiaries taken as a whole); or

any liquidation or dissolution of Solectron.

Notification of Acquisition Proposals

Each director or executive officer of Solectron must promptly, and in any event within 48 hours, notify Flextronics upon their or Solectron s receipt of any acquisition proposal or any request for non-public information that would reasonably be expected to lead to an acquisition proposal or any inquiry from any third party seeking to have discussions or negotiations relating to a possible acquisition proposal. Solectron must notify Flextronics of the material terms and conditions of the acquisition proposal, request or inquiry, of the identity of the person or group making the acquisition proposal, request or inquiry, and must provide Flextronics a copy of all written materials provided to the person or group making the acquisition proposal, request or inquiry. Solectron has also agreed to notify Flextronics of any decision of its board of directors whether to respond to any acquisition proposal, request or inquiry, and to keep Flextronics reasonably informed as to the status and material terms of any such acquisition proposal, request or inquiry.

Permitted Responses to Acquisition Proposals

Notwithstanding the prohibitions contained in the merger agreement with respect to acquisition proposals, if prior to the approval of the adoption of the merger agreement by its stockholders, Solectron receives a bona fide written acquisition proposal that its board of directors concludes in good faith, after consultation with outside legal counsel and its financial advisor, is, or is reasonably likely to lead to, a superior offer, then Solectron may furnish non-public information to, and engage in discussions and negotiations with, the third party making the acquisition proposal, provided that:

Solectron complies in all material respects with the terms of the merger agreement relating to acquisition proposals;

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prior to furnishing non-public information or entering into any negotiations or discussions with such third party, Solectron enters into a confidentiality agreement with the third party that contains customary limitations on the use and disclosure of such information and Solectron contemporaneously furnishes Flextronics with a copy of the information furnished to the third party to the extent not previously furnished to Flextronics; and

Solectron s board of directors determines in good faith, after consultation with outside legal counsel, that failure to provide such information or enter into such discussions or negotiations would reasonably be expected to result in a breach of its fiduciary duties under the Delaware General Corporation Law.

Solectron s Obligations in Respect of State Takeover Laws

Solectron has agreed that in connection with any withholding, withdrawal, amendment or modification of the recommendation to its stockholder to vote in favor of the proposal to adopt the merger agreement, its board of directors will not take any action or change its approval for the purpose of causing any state takeover statute or other state law to be applicable to the transaction contemplated by the merger agreement. In addition, if any such take over statute or other similar state law is or becomes applicable to the merger, Solectron and its board of directors will use reasonable best efforts to minimize their effect on the merger and the other transactions contemplated by the merger agreement.

Access to Information; Confidentiality

Subject to certain limited restrictions, Solectron has agreed to provide Flextronics and its representatives reasonable access to the properties, books, analysis, projections, plans, systems, contracts, commitments, records, personnel offices and other facilities of Solectron and its subsidiaries until the earlier of the termination of the merger agreement or the consummation of the merger. Flextronics has agreed to make available to Solectron a designated officer to answer questions and make available such information and documents of Flextronics as is reasonably requested by Solectron, taking into account the nature of the transactions contemplated by the merger agreement.

Any proprietary information disclosed to either Flextronics or Solectron is subject to the terms and conditions of the confidentiality agreement, dated April 3, 2007, entered into by Flextronics and Solectron.

Public Disclosure

Flextronics and Solectron have agreed to consult with one another and to provide the other an opportunity to review and comment upon any press release or public statement with respect to the merger agreement and the merger, prior to issuing such press release or otherwise making such public statement. Solectron is not required, however, to provide Flextronics with an opportunity to review or comment on any press release or public statement related to any acquisition proposal or any change of recommendation of the board of directors of Solectron.

Regulatory Filings

Flextronics and Solectron have agreed to coordinate and cooperate with each other, and to use reasonable best efforts, to comply with applicable legal requirements in connection with the merger. In particular, the parties have agreed to make all filings and submissions of information required by any governmental entity in connection with the merger and the other transactions contemplated by the merger agreement, including those filings or submissions of information required under the HSR Act, under the merger notification and control laws of the European Commission, Brazil, Canada, Mexico, China, Turkey and the Ukraine, and under the merger notification or control laws of any other applicable jurisdiction, as agreed by the parties, including Singapore. Flextronics and Solectron will also notify

the other promptly upon (i) the receipt of any comments from any governmental entity in connection with any filings made or information provided in respect of the merger and (ii) any request by any governmental entity for amendments or supplements to any such filings or information.

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Third-Party Consents

Solectron has agreed to use reasonable best efforts to obtain any consents, waivers or approvals under any of its or its subsidiaries contracts which are required to be obtained in connection with the consummation of the merger, as reasonably requested by Flextronics after consultation with Solectron. Solectron is obligated to keep Flextronics informed of all material developments and shall, at Flextronics s request, include Flextronics in any discussions or communication with any third party whose consent, waiver or approval is sought in connection with the merger.

Treatment of Solectron Equity Plans

Solectron Stock Options

Under the terms of the merger agreement, Flextronics will assume all options, whether or not exercisable, to purchase Solectron common stock that are issued and outstanding at the effective time of the merger and have an exercise price equal to or less than $5.00. Each assumed option will continue to have, and be subject to, the same terms and conditions, except that (i) each assumed option will be exercisable for that number of whole Flextronics ordinary shares equal to the number of shares of Solectron common stock for which they were exercisable immediately prior to the effective time of the merger multiplied by 0.3450 (with the result rounded down to the nearest whole share); and (ii) the exercise price of each assumed option will be equal to the per share exercise price for such option immediately prior to the effective time, divided by 0.3450 (rounded up to the nearest whole cent).

Options with an exercise price of more than $5.00 per share will not be assumed by Flextronics and will therefore accelerate and become fully vested and exercisable in connection with, but subject to and conditioned on, completion of the merger. Such options will be exercisable for a period of at least 30 days prior to the effective time of the merger in accordance with the Solectron stock option plan under which they were granted, provided that the exercise of such options will be subject to and conditioned on the completion of the merger. Each option that is issued and outstanding immediately prior to the effective time of the merger which is not assumed by Flextronics and which has not been exercised prior to the effective time of the merger (including options for which vesting is accelerated in connection with the completion of the merger), shall be canceled and extinguished without any conversion or assumption at the effective time of the merger.

In connection with the assumption or termination of outstanding options, the merger agreement requires Solectron to use its reasonable best efforts take any actions necessary to cause the options to be assumed or terminated.

Solectron s Employee Stock Purchase Plan

The merger agreement provides that Solectron s employee stock purchase plan is to be terminated at the effective time of the merger. If an offering period under the employee stock purchase plan would otherwise extend beyond the effective time of the merger, Solectron will designate a business day prior to the effective time of the merger to be the last day of such offering period and will make necessary adjustments to reflect the shortened offering period. Solectron has agreed to use reasonable best efforts to ensure that its employee stock purchase plan is terminated prior to the effective time of the merger.

Reservation of Flextronics Ordinary Shares; Form S-8

Flextronics is required, at or before the effective time of the merger, to take all corporate action necessary to reserve for issuance a sufficient number of Flextronics ordinary shares for delivery upon the exercise of the Solectron options

it has assumed. Flextronics has agreed that it will file with the SEC, not later than 5 business days following the effective time of the merger, a registration statement on Form S-8, with respect to the issuance of Flextronics ordinary shares issuable under the Solectron options assumed by Flextronics.

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Employee Compensation and Benefits

Treatment of Solectron s 401(k) Plans

Unless Flextronics requests otherwise, Solectron shall terminate all of its 401(k) plans no later than the day prior to the closing date of the merger. Flextronics is required to take all steps necessary to permit each eligible participant in Solectron s 401(k) plan to rollover their Solectron 401(k) distributions (including outstanding loans) into a 401(k) plan operated by Flextronics, to the extent permitted by Flextronics s 401(k) plans.

Employee Benefits and Service Credit

Flextronics has agreed that as of and following the closing date of the merger agreement, it will continue Solectron s employee benefit plans, programs and policies and/or permit eligible Solectron employees, and their eligible dependents, to participate in Flextronics s employee benefit plans, programs and policies on terms no less favorable than those provided to similarly situated employees of Flextronics.

Flextronics is also required under the merger agreement to give each employee of Solectron employed immediately prior to the effective time of the merger who continues as an employee of Flextronics credit for prior service with Solectron and its subsidiaries (including predecessor employers), for purposes of eligibility and vesting under applicable Flextronics benefit plans, programs and policies and determination of benefits levels under any Flextronics vacation and severance plans, programs and policies. In addition, Flextronics has agreed to give credit under its welfare benefit plans for all co-payments made, amounts credited towards deductibles and out-of-pocket maximums and time accrued against applicable waiting periods, in respect of the plan year in which the effective time of the merger occurs or the plan year in which an employee is transitioned from a Solectron benefit plan, program or policy to a Flextronics benefit plan, program or policy. In addition, Flextronics has also agreed to waive all requirements for evidence of insurability and pre-existing conditions that may otherwise be applicable under its employee health plans (including medical, dental, vision and prescription drug plans).

Treatment of Company Deferred Compensation Plan

Flextronics may request, within 30 days of the closing date of the merger, that Solectron terminate its executive deferred compensation plan. In addition, and notwithstanding the restrictions on Solectron s activities prior to the effective time of the merger, Solectron may terminate its deferred compensation plan in the absence of a request from Flextronics. As soon as is administratively practicable following the termination of Solectron s deferred compensation plan and subject to the terms of such plan and its related trust and trust agreement, Solectron is required to begin distributing the assets of the deferred compensation plan.

Retention Arrangements

Flextronics has agreed to honor and to cause the surviving corporation of the merger to honor the Solectron Retention Arrangements described in Interests of Solectron s Officers and Directors in the Merger Solectron Retention Arrangements. Flextronics is not permitted to terminate, amend or otherwise modify these arrangements without the prior consent of the applicable employee.

Director and Officer Indemnification and Insurance

The merger agreement provides that Flextronics will and will cause the surviving corporation to fulfill and honor Solectron s obligations under any indemnification agreements with its current and former directors and officers and persons who become directors, officers, employees or agents after the date of the merger agreement but before the effective time of the merger. In addition, Flextronics has agreed to cause the surviving corporation to maintain in the certificate of incorporation and bylaws of the surviving corporation provisions relating to exculpation, indemnification and the advancement of expenses that are at least as favorable to the indemnified directors, officers, employees and agents as those contained in Solectron s organizational documents.

Flextronics has also agreed to cause the surviving corporation to provide directors and officers liability insurance coverage for persons who immediately prior to the effective time of the merger are covered by Solectron s directors and officers liability insurance, for events occurring prior to the effective time. Flextronics is required to

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maintain such coverage for a period of six years following the effective time. Such coverage must be in the aggregate no less favorable to the insured persons, except that the surviving corporation is not required to pay annual premiums of more than 200% of the annual premium currently paid by Solectron. The merger agreement permits Flextronics, or if it does not do so prior to the closing date, Solectron, to purchase a tail policy under Solectron s current directors and officers liability policy in order to provide the contemplated coverage (provided the cost does not exceed an amount equivalent to the premium that would be payable for six years at 200% of Solectron s current premium).

Section 16 Matters

Flextronics and Solectron have agreed to take all such actions as may be required to cause any dispositions of Solectron common stock and any acquisitions of Flextronics ordinary shares by each director and officer of Solectron who is subject to the reporting requirements of Section 16(a) of the Exchange Act to be exempt from the short-swing profit liability rules of Section 16(b) of the Exchange Act pursuant to Rule 16b-3 promulgated under the Exchange Act.

Rule 145 Affiliates

Following the Solectron stockholders meeting, Solectron has agreed to deliver to Flextronics a letter identifying all of the individuals and entities that are affiliates of Solectron for purposes of Rule 145 under the Securities Act at the time that the merger agreement is submitted for adoption by Solectron s stockholders. Solectron has agreed to use reasonable best efforts to cause each such affiliate to deliver to Flextronics at least 10 days prior to the closing date of the merger agreement an affiliate letter acknowledging restrictions under and their obligations with respect to Rule 145.

Solectron Board Designees

The merger agreement provides that Flextronics will take all actions necessary under its memorandum and articles of association to cause two individuals designated by Solectron, and agreed to by Flextronics in its sole discretion, to be appointed or elected, following the effective time of the merger, to the board of directors of Flextronics.

Nasdaq Notification

Flextronics has agreed to file with the NASDAQ Global Select Market a Notification of Listing of Additional Shares with respect to the Flextronics ordinary shares to be issued in the merger in a timely manner prior to the closing of the merger agreement or otherwise in accordance with the rules and regulations of the NASDAQ Global Select Market.

Treatment of Exchangeable Shares

Solectron is required by the merger agreement to take all action necessary to either (i) cause its subsidiary, Solectron Global Services Canada Inc., a corporation existing under the laws of Canada, to redeem all of its outstanding exchangeable shares or (ii) cause another one of its subsidiaries, 3942163 Canada Inc., a corporation existing under the federal laws of Canada, to acquire all of such issued and outstanding exchangeable shares. Each holder of the exchangeable shares will receive one share of Solectron common stock for each exchangeable share that is redeemed or acquired pursuant to the preceding sentence. Following the redemption or acquisition of the exchangeable shares, Solectron will cause its one issued and outstanding share of Series B Preferred Stock to be cancelled in accordance with its terms. See Annex F Treatment of Solectron Series B Preferred Stock and Solectron Global Services Canada Inc. Exchangeable Shares.

Compliance with Canadian Securities Laws

Flextronics and Solectron are required by the merger agreement to use their reasonable best efforts to take all action required to permit the issuance of the Flextronics ordinary shares issued pursuant to the merger agreement into and from any province or territory in Canada and the first resale of Flextronics ordinary shares issued pursuant to the merger agreement on an exchange or a market, in each case, without any further qualifications, approvals or filings of documents. If, prior to the effective time of the merger, it is reasonably determined that such resales may

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not be effected under certain Canadian laws, then Flextronics and Solectron have agreed to cooperate to seek an exemptive order, ruling or consent from securities regulatory authorities under Canadian securities laws or other applicable laws to permit such resales after the effective time of the merger.

Termination of Solectron s Credit Agreement

Except as may otherwise be permitted by Flextronics, Solectron has agreed that at or prior to the effective time of the merger, and conditioned upon the occurrence of the merger, it will terminate its credit agreement, dated as August 28, 2006, between itself, Bank of America, N.A., and certain other parties and terminate all letters of credit under the credit agreement that are not cash collateralized. In addition, Solectron will repay all borrowings that may be outstanding under the credit agreement. Solectron is obligated to advise Flextronics of any limitations on its ability to take any of the actions outlined in the preceding sentence without incurring any adverse effect, and in that case, may request that Flextronics repay, at or prior to, but conditioned upon, completion of the merger, borrowings that have been expressly permitted pursuant to the merger agreement.

Tax Matters in Connection with the Two-Step Merger

Each of Flextronics, Saturn Merger Corp. and Solectron agreed that it will not, and will not permit any of its subsidiaries (including Saturn Merger II Corp.) to, take, or fail to take, any action that would reasonably be expected to cause the two-step merger to fail to qualify as a reorganization within the meaning of Section 368(a) of the Code or in connection with the two-step merger, to cause Flextronics to not be considered a corporation pursuant to Section 367(a) of the Code for purposes of the merger agreement. In addition, Flextronics has agreed that it will cause Solectron to comply with applicable tax reporting and filing obligations.

Flextronics and Solectron have also agreed to use reasonable best efforts to obtain opinions of counsel to the effect that, for federal income tax purposes, the two-step merger will qualify generally as a reorganization within the meaning of Section 368(a) of the Code.

Stockholder Litigation; Appraisal Rights

Subject to any applicable joint defense agreement, Flextronics and Solectron have agreed to cooperate and consult with one another in connection with any other litigation against either of them or any of their respective directors or officers with respect to the transactions contemplated by the merger agreement. Both Flextronics and Solectron have agreed to use reasonable best efforts to prevail in such litigation and to allow the consummation of the merger. Solectron will not settle any litigation without the prior written consent Flextronics, which consent is not to be unreasonably withheld or delayed. Flextronics will not settle any stockholder litigation related to Solectron or any of its directors or officers, unless the directors or officers subject to such litigation are fully covered for any losses in connection with the settlement by any insurance policies contemplated by the merger agreement or such directors or officers are fully indemnified and held harmless by Flextronics and the surviving corporation.

In addition, under the merger agreement, Flextronics will be entitled to direct all negotiations and proceedings with respect to demands for appraisal under applicable law, and Solectron will not make any payment with respect to any such demands or offer to settle any such appraisal demands without the prior written consent of Flextronics.

Reasonable Best Efforts

Subject to the provisions of the merger agreement, Flextronics and Solectron will use their reasonable best efforts to take all actions reasonably necessary, proper or advisable to consummate the merger, including:

taking actions necessary to fulfill the conditions to their respective obligations to consummate the merger;

obtaining the necessary waivers, consents, approvals, orders and authorizations from governmental entities and taking the steps necessary to avoid any suits, claims, actions, investigations or proceedings by governmental entities;

defending any suits, claims, actions, investigations or proceedings that challenge the merger agreement or the consummation of the merger and seeking to have vacated or otherwise lifted or removed any order, decree or ruling that has the effect of restraining, enjoining or otherwise prohibiting the merger;

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entering into supplemental indentures if and as required pursuant to any contract to which Solectron or its subsidiaries is a party or bound, with effect as of or after the effective time; and

executing and delivering any additional instruments necessary to consummate the transactions contemplated by the merger agreement.

Flextronics will not be required to, and Solectron, will not, without the prior written consent of Flextronics, effect or agree to:

any license, sale or other disposition or holding separate of any shares of capital stock or of any business, assets or properties of Flextronics, its subsidiaries or affiliates, or Solectron or its subsidiaries;

the imposition of any limitation on the ability of Flextronics, its subsidiaries or affiliates, or Solectron or its subsidiaries to conduct their respective businesses or own any capital stock or asset or to acquire, hold or exercise full rights of ownership of their respective businesses; or

the imposition of any impediment on Flextronics, its subsidiaries or affiliates, or Solectron or its subsidiaries under any governmental rule or regulation;

that, individually or taken together with any or all other restrictions or requirements contemplated by the preceding clauses, are reasonably expected to have a material adverse effect on the benefits expected to be derived from the merger agreement.

Conditions to Completion of the Merger

Conditions to All Parties Obligations

The obligations of Flextronics and Solectron to complete the merger are subject to the satisfaction or waiver of the following conditions:

the adoption of the merger agreement by Solectron stockholders;

the approval of the issuance of the Flextronics ordinary shares by Flextronics shareholders;

the effectiveness of a registration statement filed in connection with the issuance of Flextronics ordinary shares in the merger and no stop order proceedings suspending the registration statement or this joint proxy statement/prospectus;

no statute, rule, regulation or other order having been enacted or issued by a governmental entity of competent jurisdiction which is in effect and has the effect of making the merger illegal or otherwise prohibiting completion of the merger; and

the expiration or termination of any applicable waiting periods under the HSR Act with respect to the merger and the receipt of consents, waivers or approvals required under foreign merger notification and control laws.

The obligations of Flextronics and Solectron to consummate the merger as a two-step merger are also subject to Flextronics and Solectron having each received from their respective tax counsel an opinion to the effect that the merger will constitute a reorganization within the meaning of Section 368(a) of the Code and no gain will be

recognized by Solectron stockholders (other than by certain stockholders in certain situations). If either Flextronics or Solectron is unable to obtain such opinion, either of them may waive this condition, and the merger may be consummated as the single merger of Saturn Merger Corp. with and into Solectron.

Additional Conditions to Obligations of Flextronics and Saturn Merger Corp.

Flextronics s obligation to complete the merger is also subject to the satisfaction or waiver by Flextronics of the following additional conditions:

Solectron s representations and warranties being true and correct in all respects as of the date of the merger agreement and as of the closing date (except those representations and warranties which address matters only as of a particular date (which representations and warranties must be true and correct as of that date),

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and except for representations and warranties where failure to be true and correct did not and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Solectron);

the performance and compliance by Solectron in all material respects with its agreements and covenants required by the merger agreement to be performed or complied with by it before completion of the merger; and

the absence of any change, event, development, violation, inaccuracy, circumstance or effect which, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on Solectron.

Additional Conditions to Solectron s Obligation

Solectron s obligation to complete the merger is also subject to the satisfaction or waiver by Solectron of the following additional conditions:

Flextronics and Saturn Merger Corp. s representations and warranties being true and correct in all respects as of the date of the merger agreement and as of the closing date (except those representations and warranties which address matters only as of a particular date (which representations and warranties must be true and correct as of that date), and except for representations and warranties where failure to be true and correct did not and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Flextronics);

the performance and compliance by Flextronics and Saturn Merger Corp. in all material respects with its agreements and covenants required by the merger agreement to be performed or complied with by it before completion of the merger; and

the absence of any change, event, development, violation, inaccuracy, circumstance or effect which, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on Flextronics.

Definition of Material Adverse Effect

Under the terms of the merger agreement, a material adverse effect on either Flextronics or Solectron is defined to mean any change, event, development, violation, inaccuracy, circumstance or effect (any such item, an effect), individually or when taken together with all other effects that have occurred during the applicable measurement period, that is or is reasonably likely to be materially adverse to the business, operations, financial condition or results of operations of such entity taken as a whole with its subsidiaries. However, under the terms of the merger agreement, any effect resulting from, relating to or arising out of the following will not be deemed a material adverse effect or taken into account in determining whether there has been or will be, a material adverse effect on Flextronics or Solectron, as the case may be:

general economic, political or financial market conditions in the United States or any other jurisdiction in which the entity or any of its subsidiaries has substantial business or operations, to the extent that such changes do not have a material disproportionate effect on such entity taken as a whole with its subsidiaries as compared to other similarly situated participants in the industry in which such entity and its subsidiaries operate;

conditions in the industry in which such entity and its subsidiaries operate, to the extent that such changes do not have a material disproportionate effect on such entity taken as a whole with its subsidiaries as compared to other similarly situated participants in the industry in which such entity and its subsidiaries operate;

changes in applicable law, United States generally accepted accounting principles or international accounting standards;

acts of terrorism, war, weather conditions or other similar force majeure events;

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compliance with the express terms of the merger agreement which require that a party and its respective subsidiaries take actions in furtherance of the transactions contemplated by the merger agreement or refrain from taking actions prohibited by the merger agreement;

any legal claims made or brought by any current or former Solectron stockholders or other legal proceedings arising out of or related to the merger agreement or the proposed merger;

the announcement or pendency of the merger agreement or the proposed merger including (i) shortfalls or any declines in revenue, margins or profitability, (ii) the loss or departure of officers or other employees, (iii) the termination or potential termination of (or the failure or potential failure to renew) any contracts with customers, suppliers, distributors or other business partners, and (iv) any other negative development in customer, supplier, distributor or other business partner relationships, whether as a direct or indirect result of the loss or departure of officers or employees or otherwise;

with respect to any party hereto, any actions taken, or failure to take action, or such other effects, in each case, which the other party has approved, consented to or requested in writing;

changes in the entity s stock price or the trading volume of the entity s stock, in and of itself; or

any failure to meet internal or published analyst estimates or expectations of revenue, earnings or other financial performance or results of operations for any period, in and of itself.

Termination of the Merger Agreement and Termination Fees

Termination Triggers

The merger agreement may be terminated in accordance with its terms at any time prior to completion of the merger and, except as provided below, whether before or after either the requisite approvals of the merger by Solectron stockholders or Flextronics shareholders:

by mutual written consent duly authorized by the boards of directors of Flextronics, Saturn Merger Corp. and Solectron; or

by Solectron or Flextronics:

if the merger is not completed by December 31, 2007, provided that either party may extend such date to March 31, 2008, if the condition requiring approvals and consents (including the termination of any waiting period) under merger notification and control laws shall not have been satisfied, provided that this right to terminate is not available to any party whose action or failure to act was a principal cause of, or resulted in the failure of, the merger to occur on or before such date and such action or failure to act constitutes a material breach of the merger agreement (we refer to December 31, 2007, or if the termination date is extended to March 31, 2008, March 31, 2008, as the termination date of the merger agreement);

if any governmental entity issues any order or takes any other action having the effect of permanently restraining, enjoining or prohibiting the completion of the merger;

if the required vote of Solectron stockholders is not obtained at a duly convened meeting of stockholders; or

if the required vote of Flextronics shareholders is not obtained at a duly convened meeting of shareholders; or

by Flextronics:

in the event of a breach of any representation, warranty, covenant or agreement in the merger agreement on the part of Solectron or if any representation or warranty of Solectron becomes untrue such that the condition to completion of the merger regarding Solectron s representations and warranties or covenants would not be met, except that if the breach or inaccuracy is curable by Solectron prior to the termination date of the merger agreement, then Flextronics may not terminate the merger agreement for 30 days after

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delivery of written notice to Solectron of the breach or thereafter if such breach is cured during those 30 days, and Flextronics may not terminate the merger agreement based on a breach by Solectron if Flextronics is otherwise in material breach of the merger agreement;

if there has been, or any event has occurred since the date of the merger agreement that would reasonably be expected to have, a material adverse effect on Solectron, and (i) the material adverse effect is not reasonably capable of being cured prior to the termination date of the merger agreement, or (ii) the material adverse effect is not cured prior to the earlier of the termination date and 30 days following the receipt of written notice from Flextronics to Solectron of the material adverse effect, provided that Flextronics may not exercise this termination right if it is in material breach of the merger agreement; or

at any time prior to the adoption of the merger agreement by the required vote of Solectron stockholders, if any of the following triggering events occur with respect to Solectron:

its board of directors withholds, withdraws, amends or modifies, in a manner adverse to Flextronics, its unanimous recommendation in favor of the adoption of the merger agreement and approval of the merger;

its board of directors approves, endorses or recommends, or authorizes Solectron to enter into a definitive agreement with respect to, a superior offer (as described in the section entitled Stockholders Meetings; Boards of Directors Recommendations Solectron s Right to Change its Recommendation beginning on page 96 of this joint proxy statement/prospectus);

it enters into any letter of intent or similar document or any agreement, contract or commitment accepting any superior offer;

a tender or exchange offer relating to its securities is initiated by a third party, and it does not send to its security holders, pursuant to Rule 14e-2 promulgated under the Securities and Exchange Act, within 10 business days after the tender or exchange offer is first published, sent or given, a statement disclosing that its board of directors recommends rejection of the tender or exchange offer; or

its board of directors resolves to do any of the above;

by Solectron:

upon a breach of any representation, warranty, covenant or agreement in the merger agreement on the part of Flextronics or if any representation or warranty of Flextronics becomes untrue such that the condition to completion of the merger regarding Flextronics s representations and warranties or covenants would not be met, except that if the breach or inaccuracy is curable by Flextronics prior to the termination date of the merger agreement, then Solectron may not terminate the merger agreement for 30 days after delivery of written notice to Flextronics of the breach or thereafter if such breach is cured during those 30 days, and Solectron may not terminate the merger agreement based on a breach by Flextronics if Solectron is otherwise in material breach of the merger agreement;

if there has been, or any event has occurred since the date of the merger agreement that would reasonably be expected to have, a material adverse effect on Flextronics, and (i) the material adverse effect is not reasonably capable of being cured prior to the termination date of the merger agreement, or (ii) the material adverse effect is not cured prior to the earlier of the termination date and 30 days following the receipt of written notice from Solectron to Flextronics of the material adverse effect, provided that Solectron may not exercise this termination right if it is in material breach of the merger agreement; or

if Solectron s board of directors authorizes it to enter into a definitive agreement with respect to a superior offer and Solectron pays to Flextronics the termination fee described below and enters into such definitive agreement.

If the merger agreement is terminated, no party will have any further liability or obligation under the merger agreement, except for any termination fee that may be due in connection with the termination, and except that the parties will remain liable for any willful breach of the merger agreement prior to its termination.

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Payment of Termination Fee by Solectron

Solectron has agreed to pay to Flextronics a termination fee of $100.0 million, concurrently with the termination, if the merger agreement is terminated in any of the following circumstances:

- by Flextronics as a result of the occurrence of a triggering event (as described under Termination Triggers above); or
- by Solectron because its board of directors has authorized it to enter into a definitive agreement with respect to a superior offer.

Solectron has also agreed to pay the termination fee of $100.0 million to Flextronics if the merger agreement is terminated by either Flextronics or Solectron as a result of the failure to obtain approval of Solectron s stockholders and if:

- at least 3 days prior to the meeting of Solectron s stockholders, there has been a public disclosure of a proposal to acquire Solectron and such proposal has not been withdrawn; and
- within 12 months following termination of the merger agreement, any acquisition involving Solectron is consummated or Solectron enters into a definitive agreement or letter of intent with respect to any acquisition and it is subsequently consummated.

The termination fee must be paid within two business days following the acquisition of Solectron. However, if at the time the merger agreement is terminated in connection a failure to obtain approval of Solectron s stockholders, a triggering event has occurred, the termination shall be deemed to be based on the triggering event, and the termination fee will be due concurrently with the termination.

In no event shall Solectron be obligated to pay to Flextronics more than one Termination Fee under this Agreement.

Payment of Termination Fee by Flextronics

Flextronics has agreed to pay to Solectron a termination fee of $100.0 million if the merger agreement is terminated by either Solectron or Flextronics as a result of the failure to obtain approval of Flextronics s shareholders and if:

- at least 3 days prior to the meeting of Flextronics s shareholders, there has been a public disclosure of a proposal to acquire Flextronics and such proposal has not been withdrawn; and
- within 12 months following termination of the merger agreement, the acquisition transaction in such proposal is consummated or Flextronics enters into a definitive agreement or letter of intent with respect to such acquisition and it is subsequently consummated.

The termination fee must be paid within two business days following the consummation of the acquisition transaction.

Definition of Acquisition

Under the merger agreement, for the purposes of the termination payment, an acquisition is any of the following:

- a merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving Solectron or Flextronics, as applicable, pursuant to which its shareholders immediately preceding

such transaction hold less than 50% of the aggregate equity interests in the surviving or resulting entity of such transaction, or any direct or indirect parent of such entity;

a sale or other disposition by Solectron or Flextronics, as applicable, of assets representing in excess of 50% of the aggregate fair market value of its business immediately prior to such sale; or

the acquisition by any person or group, including by way of a tender offer or an exchange offer, directly or indirectly, of beneficial ownership or the right to acquire beneficial ownership of shares representing in

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excess of 50% of the voting power of the then outstanding shares of Solectron s capital stock or Flextronics s ordinary shares, as applicable.

Liability for Costs and Expenses

If a party fails to pay when due the termination fee and the other party must make a claim, which claim results in a judgment against the party that fails to pay, such party will pay the other party s reasonable costs and expenses in connection with the suit together with interest on the unpaid termination fee.

Fees and Expenses

Except for the termination fees described in Payment of Termination Fee by Solectron and Payment of Termination Fee by Flextronics above, in general, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated by the merger agreement, whether or not the merger is consummated, are to be paid by the party incurring such expense. However, Flextronics and Solectron have agreed to share equally the fees in connection with:

the filing of all documents related to the HSR Act and all other premerger notification and report forms under similar applicable laws of other jurisdictions; and

the filing, printing and mailing of this joint proxy statement/prospectus and the registration statement any of their respective amendments or supplements.

THE VOTING AGREEMENTS

Solectron Voting Agreement

Contemporaneously with the execution and delivery of the merger agreement, Doug Britt, Paul Tufano, Todd DuChene, Roop Lakkaraju, Marty Neese, Kevin O Connor, David Purvis, Warren Ligan, Perry Hayes, William Hasler, E. Paulett Eberhart, William Graber, Paul Low, C. Wesley Scott, Cyril Yansouni, Heinz Fridrich, Craig London and Richard D Amore, representing all of Solectron s executive officers and directors, entered into a voting agreement with Flextronics. As of the record date, Solectron s executive officers and directors owned in the aggregate 7,039,568 shares of Solectron common stock. In the aggregate, these shares represent approximately 0.77% of the shares of Solectron common stock outstanding on the record date (including the outstanding exchangeable shares).

The following is a summary description of the Solectron voting agreement. The form of the Solectron voting agreement is attached as Annex B to this joint proxy statement/prospectus and is incorporated by reference into this joint proxy statement/prospectus.

Each Solectron stockholder who has entered into a voting agreement has granted to Flextronics an irrevocable proxy and irrevocably appointed Flextronics and any designee of Flextronics as such stockholder s sole and exclusive attorney-in-fact and proxy to vote such stockholder s Solectron shares at every annual, special, adjourned or postponed meeting of stockholders of Solectron and in every written consent in lieu of such meeting, as follows:

in favor of the adoption of the merger agreement, including all other actions and transactions contemplated by the merger agreement or the proxy and any other actions presented to Solectron stockholders that would reasonably be expected to facilitate the merger agreement, the merger and the other actions and transactions contemplated by the merger agreement or the proxy;

against approval of any proposal made in opposition to, or in competition with, the merger agreement or the consummation of the merger and the other transactions contemplated by the merger agreement or the proxy; and

against any acquisition proposal or any other action that is intended to impede, interfere with, delay, postpone, discourage or adversely affect the merger or any of the other transactions contemplated by the merger agreement.

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Each such stockholder has agreed not to enter into any agreement or understanding with any person to vote or make any public announcement that is inconsistent with the preceding paragraph. In addition, to the extent not voted by the person(s) appointed by the irrevocable proxy, each such stockholder has agreed to vote their Solectron shares as set forth above at every meeting of the stockholders of Solectron, however called, at every adjournment or postponement thereof, and on every action or approval by written consent of stockholders of Solectron.

Nothing in the voting agreement limits or restricts the stockholder from acting in his or her capacity as an officer or director of Solectron or from fulfilling the obligations of such office (including the performance of obligations required by the fiduciary obligations of such stockholder acting solely in his or her capacity as an officer or director).

The voting agreement will terminate upon the earlier to occur of the termination of the merger agreement and the completion of the merger.

Flextronics Voting Agreement

Contemporaneously with the execution and delivery of the merger agreement, H. Raymond Bingham, James A. Davidson, Michael E. Marks, Michael McNamara, Rockwell Schnabel, Ajay Shah, Richard L. Sharp, Lip-Bu Tan, Christopher Collier, Carrie Schiff and Thomas J. Smach, representing certain of Flextronics s executive officers and all of its directors, entered into a voting agreement with Solectron. As of the record date, such Flextronics s executive officers and directors owned in the aggregate 7,089,124 Flextronics ordinary shares and vested options that if exercised would represent an additional 15,920,348 Flextronics ordinary shares. In the aggregate, these shares represent approximately 3.68% of the Flextronics ordinary shares outstanding on the record date.

The following is a summary description of the Flextronics voting agreement. The form of the Flextronics voting agreement is attached as Annex C to this joint proxy statement/prospectus and is incorporated by reference into this joint proxy statement/prospectus.

Each Flextronics shareholder who has entered into the voting agreement has granted to Solectron an irrevocable proxy and irrevocably appointed Solectron and any designee of Solectron as such shareholder s sole and exclusive attorney-in-fact and proxy to vote such shareholder s Flextronics shares at every annual, special, adjourned or postponed meeting of shareholders of Flextronics and in every written consent in lieu of such meeting, as follows:

- in favor of the issuance of Flextronics ordinary shares required to be issued in the merger, and any other actions presented to Flextronics shareholders that would reasonably be expected to facilitate the merger agreement, the issuance of the Flextronics ordinary shares and the other actions and transactions contemplated by the merger agreement or the proxy; and

- against approval of any proposal made in opposition to, or in competition with, the merger agreement or the consummation of the merger and the other transactions contemplated by the merger agreement or the proxy.

Each such shareholder has agreed not to enter into any agreement or understanding with any person to vote or make any public announcement that is inconsistent with the preceding paragraph. In addition, to the extent not voted by the person(s) appointed by the irrevocable proxy, each such shareholder has agreed to vote their Flextronics shares as set forth above at every meeting of the shareholders of Flextronics, however called, at every adjournment or postponement thereof, and on every action or approval by written consent of stockholders of Flextronics.

Nothing in the voting agreement limits or restricts the shareholder from acting in his or her capacity as an officer or director of Flextronics or from fulfilling the obligations of such office (including the performance of obligations

required by the fiduciary obligations of such stockholder acting solely in his or her capacity as an officer or director).

The voting agreement will terminate upon the earlier to occur of the termination of the merger agreement and the completion of the merger.

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial statements are based on the historical financial statements of Flextronics and Solectron after giving effect to the acquisition of Solectron by Flextronics, using the purchase method of accounting and applying the assumptions and adjustments described in the accompanying notes.

The unaudited pro forma condensed combined statement of operations for the year ended March 31, 2007 is presented as if the acquisition had occurred on April 1, 2006. The unaudited pro forma condensed combined balance sheet is presented as if the acquisition had occurred on March 31, 2007. You should read this information in conjunction with the:

- accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Statements;
- separate historical financial statements of Flextronics as of and for the fiscal year ended March 31, 2007, included in the Flextronics annual report on Form 10-K for the fiscal year ended March 31, 2007, which is incorporated by reference into this joint proxy statement/prospectus;
- separate unaudited historical financial statements of Solectron as of and for the three- and six-month periods ended March 2, 2007, included in the Solectron quarterly report on Form 10-Q for the six months ended March 2, 2007, which is incorporated by reference into this joint proxy statement/prospectus; and
- separate historical financial statements of Solectron as of and for the fiscal year ended August 25, 2006, included in the Solectron annual report on Form 10-K for the fiscal year ended August 25, 2006, which is incorporated by reference into this joint proxy statement/prospectus.

The pro forma information presented is for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have been realized if the acquisition had been completed on the dates indicated, nor is it indicative of future operating results or financial position. The pro forma adjustments are based upon available information and certain assumptions that Flextronics believes are reasonable.

The unaudited pro forma condensed combined financial statements do not include the effects of:

- approximately $200.0 million of annualized after-tax synergies anticipated after the first 12 to 18 months of integration. These synergies are expected to result from anticipated operating efficiencies and cost savings, including the expected gross margin improvement in future quarters due to scale and leveraging of Flextronics s and Solectron s manufacturing platforms, and are net of potential losses in gross margin due to revenue attrition resulting from combining the two companies; and
- costs of restructuring, integration, and retention bonuses associated with the closing of the acquisition, which cannot be reasonably estimated at this time as planning for these activities is in the early stages and their impact cannot be determined at this time (see Note 4 below).

In preparing the unaudited pro forma condensed combined financial statements, Flextronics has assumed that holders of 50% of Solectron s outstanding common stock (including restricted shares and exchangeable shares) will elect to receive new Flextronics ordinary shares at the exchange ratio of 0.3450 of a Flextronics ordinary share for each share of Solectron common stock, and holders of 50% of Solectron s outstanding common stock (including restricted shares and exchangeable shares) will elect to receive cash consideration in the amount of $3.89 per share of Solectron

common stock as stated in the merger agreement. Flextronics is continuing to evaluate its existing cash positions and financing agreements, and alternative long-term financing arrangements to fund the cash requirements for this transaction (including the refinancing of Solectron s debt, if required). For the purposes of preparing the unaudited pro forma condensed combined financial statements, Flextronics estimates that it will borrow approximately $1.9 billion in connection with financing the cash consideration attributable to the acquisition (including costs associated with the transaction). Depending on the actual number of Solectron shares outstanding as of the closing date of the acquisition and the percentage of Solectron stockholders that elect to receive Flextronics ordinary shares, the cash paid, amount borrowed and Flextronics ordinary shares issued may differ significantly from the information in the unaudited pro forma condensed combined financial statements. For example, had Flextronics assumed that holders of 70% of Solectron s outstanding common stock would elect to receive Flextronics ordinary shares and holders of 30% of Solectron s outstanding common stock would elect to receive cash consideration, Flextronics estimates that it would borrow approximately $700 million less at an estimated

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interest rate of 7.3% resulting in lower interest expense, a corresponding increase in the combined company s equity on a pro forma basis, and basic and diluted weighted average shares outstanding would be approximately 64 million shares higher on a pro forma basis. The impact on the total purchase price and pro forma assets of the combined company is not material.

Pursuant to the purchase method of accounting, the total estimated purchase price, calculated as described in Note 1 to these unaudited pro forma condensed combined financial statements, has been preliminarily allocated to assets acquired and liabilities assumed based on their respective fair values. Flextronics s management has determined the preliminary fair value of the assets acquired and liabilities assumed at the pro forma balance sheet date. The fair value of Flextronics ordinary shares issued in the transaction was based on a price of $11.35 per ordinary share, which represents the average closing price of its ordinary shares for the five trading days beginning two trading days before and ending two trading days after June 4, 2007, the date on which the acquisition was agreed to and announced. The fair value of vested and unvested share-based awards assumed was also based on the $11.35 per ordinary share. The fair value of assumed long-term debt was based on Solectron s carrying value or market prices (see Note 2 below). Any differences between the fair value of the consideration issued and the fair value of the assets acquired and liabilities assumed will be recorded as goodwill. Because these unaudited pro forma condensed combined financial statements have been prepared based on preliminary estimates of fair values attributable to the acquisition, the actual amounts recorded may differ materially from the information presented. These allocations are subject to change pending further review of the fair value of the assets acquired and liabilities assumed as well as the impact of potential restructuring activities and actual transaction costs. Additionally, the fair value of assets acquired and liabilities assumed may be materially impacted by the results of Solectron s operations up to the closing date of the acquisition.

Because the final valuation associated with vested and unvested stock options and unvested restricted shares held by Solectron employees will be calculated as of the closing date of the acquisition, the amount allocated to this item may change materially depending on the price of Flextronics ordinary shares or, the number of Solectron unvested share based awards outstanding as of the closing date. Based on the fair value of Flextronics ordinary shares of $11.35 (calculated as described above), the amount of the compensation charge Flextronics would record associated with unvested share-based awards estimated to be assumed for Solectron employees would be approximately $19.0 million in the first year after the closing of the acquisition, with an additional $36.8 million recognized over the next two to four years thereafter.

Flextronics and Solectron have different fiscal year ends, which end on March 31 and the last Friday in August, respectively. As such, the presentation of Solectron s historical results has been aligned to more closely conform to Flextronics s presentation. Solectron s statement of operations has been adjusted to present its results of operations for the twelve months ended March 2, 2007 by adding its interim period results for the six-months ended March 2, 2007 to its results of operations for the year ended August 25, 2006, and subtracting the comparable preceding year interim period results. Solectron s results of operations for the six-month period ended February 24, 2006 (the preceding year interim period results) include net sales of $5.0 billion and income from continuing operations of $37.3 million. In addition, certain reclassifications have been made as pro forma adjustments to Solectron s historical financial statements to conform to the presentation used in Flextronics s historical financial statements. Such reclassifications had no effect on Solectron s previously reported results of operations.

The unaudited pro forma condensed combined statement of operations for the year ended March 31, 2007 has been derived from:

- the audited historical consolidated statement of operations of Flextronics for the year ended March 31, 2007;

- the audited historical consolidated statement of operations of Solectron for the year ended August 26, 2006; and

the unaudited historical condensed consolidated statements of operations of Solectron for the six month periods ended March 2, 2007 and February 24, 2006.

The unaudited pro forma condensed combined balance sheet as of March 31, 2007 has been derived from:

the audited historical consolidated balance sheet of Flextronics as of March 31, 2007; and

the unaudited historical condensed consolidated balance sheet of Solectron as of March 2, 2007.

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FLEXTRONICS INTERNATIONAL LTD.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS

	Historical			
	Flextronics Year Ended March 31, 2007	Solectron Twelve Months Ended March 2, 2007	Pro Forma Adjustments	Pro Forma Combined
	(In thousands, except per share amounts)			
Net sales	$ 18,853,688	$ 11,505,700	$ (265,327)(a)	$ 30,094,061
Cost of sales	17,777,859	10,910,500	(271,487)(b)	28,416,872
Restructuring charges	146,831		56,661(c)	203,492
Gross profit	928,998	595,200	(50,501)	1,473,697
Selling, general and administrative expenses	547,538	448,100	(5,390)(d)	990,248
Intangible amortization	37,089		32,801(e)	69,890
Restructuring charges	5,026	58,600	(56,661)(c)	6,965
Other (income) expense, net	(77,594)			(77,594)
Interest and other (income) expense, net(h)	91,986	(8,400)	139,916(f)	223,502
Income from continuing operations before income taxes	324,953	96,900	(161,167)	260,686
Provision for (benefit from) income taxes	4,053	(6,400)	(12,792)(g)	(15,139)
Income from continuing operations	$ 320,900	$ 103,300	(148,375)	$ 275,825
Earnings per share:				
Income from continuing operations:				
Basic	$ 0.55			$ 0.37
Diluted	$ 0.54			$ 0.36
Weighted-average shares used in computing per share amounts:				
Basic(h)	588,593		159,186(i)	747,779
Diluted(h)	596,851		159,795(i)	756,646

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FLEXTRONICS INTERNATIONAL LTD.
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

	Historical			
	Flextronics As of March 31, 2007	Solectron As of March 2, 2007	Pro Forma Adjustments	Pro Forma Combined
	(In thousands)			
ASSETS				
Current assets:				
Cash and cash equivalents	$ 714,525	$ 1,068,800		$ 1,783,325
Restricted cash		16,800		16,800
Accounts receivable, net	1,754,705	1,390,600		3,145,305
Inventories	2,562,303	1,799,500	$ 11,189(j)	4,372,992
Deferred income taxes	11,105		21,724(k)	32,829
Other current assets	548,409	343,400	(21,724)(k)	870,085
Total current assets	5,591,047	4,619,100	11,189	10,221,336
Property and equipment, net	1,998,706	741,400		2,740,106
Deferred income taxes	669,898		13,768(k)	683,666
Goodwill	3,076,400	155,900	1,163,460(l)	4,395,760
Other intangible assets, net	187,920		221,000(m)	408,920
Other assets	817,403	124,800	(26,018)(n)	916,185
Total assets	$ 12,341,374	$ 5,641,200	$ 1,383,399	$ 19,365,973
LIABILITIES AND SHAREHOLDERS EQUITY				
Current liabilities:				
Bank borrowings, current portion of long-term debt and capital lease obligations	$ 8,385	$ 25,100		$ 33,485
Accounts payable	3,440,845	1,891,000		5,331,845
Accrued payroll	215,593	145,500		361,093
Other current liabilities	823,245	478,700	$ 36,500(o)	1,338,445
Total current liabilities	4,488,068	2,540,300	36,500	7,064,868
Long-term debt and capital lease obligations, net of current portion(h)	1,493,805	616,000	1,883,634(p)	3,993,439
Other liabilities	182,842	36,700	86,190(q)	305,732
Shareholders equity(h)				
Ordinary shares, no par value	5,923,799	7,594,300	(5,769,025)(r)	7,749,074
Retained earnings (deficit)	267,200	(5,052,000)	5,052,000(r)	267,200
Accumulated other comprehensive income (loss)	(14,340)	(94,100)	94,100(r)	(14,340)

Total shareholders equity	6,176,659	2,448,200	(622,925)(r)	8,001,934
Total liabilities and shareholders equity	$ 12,341,374	$ 5,641,200	$ 1,383,399	$ 19,365,973

1. Basis of Presentation

On June 4, 2007 Flextronics and Solectron entered into a definitive merger agreement under which Solectron will become a wholly-owned subsidiary of Flextronics in a transaction to be accounted for using the purchase

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method of accounting. The total estimated purchase price of approximately $3.7 billion is primarily comprised of Flextronics ordinary shares, cash, direct transaction costs and assumed vested stock options.

The unaudited pro forma condensed statement of operations is presented as if the transaction had been consummated on April 1, 2006. The unaudited pro forma condensed combined balance sheet is presented to give effect to the acquisition as if the transaction had been consummated on March 2, 2007. Pursuant to the merger agreement, at their election, Solectron stockholders will receive 0.3450 of a Flextronics ordinary share or $3.89 in cash for each share of Solectron common stock, subject to proration due to minimum and maximum limits on the percentage of Solectron common stock for which Flextronics ordinary shares will be issued or cash will be paid. The unaudited pro forma condensed combined balance sheet provides for the issuance of approximately 159 million Flextronics ordinary shares assuming the minimum number of shares of Solectron common stock is converted in connection with the acquisition (50%), based upon the total outstanding shares of Solectron common stock as of June 1, 2007, and including exchangeable shares and certain Solectron restricted shares the vesting of which is expected to accelerate as a result of the change in control. The actual number of Flextronics ordinary shares to be issued will be determined based on the actual number of shares of Solectron common stock outstanding at the closing date of the acquisition, including as a result of stock options exercised, and including vested restricted shares and exchangeable shares, and the percentage of Solectron stockholders that elect to receive Flextronics ordinary shares. Under the purchase method of accounting, the fair value of the Flextronics ordinary shares will be based on an average of Flextronics s closing share prices for the five trading days beginning two trading days before and ending two trading days after the date on which the number of Flextronics ordinary shares to be issued is known. For the purposes of the pro forma financial statements presented herein, the fair value of the total consideration was determined using the average of the closing prices of Flextronics ordinary shares during the five trading days beginning two trading days before and ending two trading days after June 4, 2007, the date on which the merger agreement was entered into and announced, or $11.35 per share.

Based on a fixed exchange ratio of 0.3450 of a Flextronics ordinary share for each outstanding share of Solectron common stock, the total number of Solectron options outstanding as of June 1, 2007 and eligible to be assumed pursuant to the merger agreement, and assuming holders of 50% of the unvested Solectron restricted shares were to elect to receive Flextronics ordinary shares, Flextronics would assume vested and unvested Solectron options covering, and in respect of unvested restricted shares would issue, in the aggregate, an equivalent of approximately 11.3 million Flextronics ordinary shares. The actual number of Solectron share-based awards to be assumed will be determined based on the actual number of Solectron share-based awards outstanding as of the closing date. The fair value of options assumed was estimated using the Black-Scholes-Merton option-pricing formula and a share price of $11.35 per share as calculated above. The fair value of unvested restricted shares assumed was estimated as $11.35 per share.

The total estimated purchase price for the acquisition is as follows (in thousands):

Fair value of Flextronics ordinary shares to be issued	$ 1,806,761
Cash consideration	1,794,884
Estimated fair value of vested options assumed	18,514
Direct transaction costs	48,000
Total estimated purchase price	$ 3,668,159

Preliminary Estimated Purchase Price Allocation

The preliminary allocation of the purchase price to Solectron s tangible and identifiable intangible assets acquired and liabilities assumed was based on their estimated fair values. The fair value of assumed long-term debt was based on Solectron s carrying value or market prices (see Note 2 below). The valuation of these tangible and identifiable intangible assets and liabilities is subject to further management review and may change materially between the preliminary valuation date and the closing date of the acquisition. Further adjustments to these estimates may be included in the final allocation of the purchase price of Solectron if the adjustment is determined within the purchase price allocation period. The excess of the purchase price over the tangible and identifiable intangible assets acquired and liabilities assumed has been allocated to goodwill. The allocation of purchase price

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does not include the effect of anticipated restructuring activities because it cannot be estimated at this time (see Note 4 below).

The estimated purchase price has been allocated as follows (in thousands):

Assets acquired and liabilities assumed:	
Cash, cash equivalents and restricted cash	$ 1,085,600
Other current assets	3,544,689
Fixed assets	741,400
Other non-current assets	84,550
Current liabilities	(2,576,800)
Debt assumed	(628,750)
Other liabilities	(122,890)
Identifiable intangible assets	221,000
Goodwill	1,319,360
Total estimated purchase price	$ 3,668,159

Tangible assets acquired and liabilities assumed

Flextronics has estimated the fair value of tangible assets acquired and liabilities assumed. Some of these estimates are subject to change, particularly those estimates relating to deferred taxes and property plant and equipment. These estimates are primarily based on Solectron s net book values as of March 2, 2007, discussions with Solectron management and due diligence, and are subject to further review by management, which may result in material adjustments. Furthermore, the fair values of the assets acquired and liabilities assumed may be affected and materially changed by the results of Solectron s operations and changes in market values up to the closing date of the acquisition. In addition, the unaudited pro forma condensed combined financial statements do not reflect adjustments to liabilities that will result from expected restructuring activities after the acquisition closes, as planning for these activities is still in the early stages and therefore, the resulting costs cannot be fully estimated at present (see Note 4 below).

Identifiable intangible assets

Flextronics has estimated the fair value of the acquired identifiable intangible assets, which are subject to amortization, using the income approach. These estimates are preliminary and are subject to completion of a formal valuation process, review by management and other adjustments (which may be material), which may reflect, among other things, the effect of Solectron s operations between March 2, 2007 and the closing date. The following table sets forth the preliminary estimate for the components of these intangible assets and their estimated useful lives as of March 2, 2007 (dollars in thousands):

	Preliminary Fair Value	**Useful Life (in Years)**
Customer relationships	$ 163,000	6 8
Developed technologies	58,000	5 7
Total acquired identifiable intangible assets	$ 221,000	

2. Long-Term Debt

For the purposes of preparing the unaudited pro forma condensed combined financial statements, upon the closing of the acquisition Flextronics assumes Solectron s outstanding debt, which is primarily comprised of Solectron s 8.00% Senior Subordinated Notes due 2016 and 0.5% Convertible Senior Notes due 2034. Holders of the 8.00% Senior Subordinated Notes due 2016 and 0.5% Convertible Senior Notes due 2034 have the option, subject to certain conditions, to require Solectron to repurchase their notes in the event of a change in control, as defined, at a price of 101% and 100%, respectively, of the principal amount of the respective notes plus accrued and

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unpaid interest up to, but excluding, the date of repurchase. Upon closing of the acquisition, Flextronics would assume Solectron s obligations under the notes. To the extent holders of these notes require that Solectron repurchase their notes at the foregoing prices, Flextronics has assumed that it will use one or more of its alternative long-term financing arrangements to refinance such repurchase, if required. Accordingly, Solectron s outstanding debt is classified as long-term for the purposes of preparing the unaudited pro forma condensed combined financial statements.

The 8.00% Senior Subordinated Notes due 2016 were recorded at fair market value (see Note 3 below). The 0.5% Convertible Senior Notes due 2034 were recorded at Solectron s carrying value, which is 100% of the principal amount.

3. Pro Forma Adjustments

The following pro forma adjustments are included in the unaudited pro forma condensed combined statements of operations and the unaudited pro forma condensed combined balance sheet:

(a) To eliminate inter-company transactions between Flextronics and Solectron.

(b) Adjustments to cost of sales (in thousands):

To eliminate inter-company transactions between Flextronics and Solectron	$ (265,327)
To reverse Solectron s historical amortization of intangibles	(4,700)
To eliminate share-based compensation expense recognized by Solectron	(5,500)
To record share-based compensation expense related to Solectron unvested share-based awards assumed	4,040
	$ (271,487)

(Note: The adjustments for share-based compensation expense above do not contemplate expense related to new awards to acquire Flextronics ordinary shares that may be granted to Solectron employees, if any.)

(c) To reclassify the estimated portion of Solectron s restructuring charges relating to manufacturing severance costs to conform to Flextronics historical presentation using the same proportionate allocation of total restructuring charges as Flextronics incurred.

(d) Adjustments to selling, general and administrative expenses (in thousands):

To eliminate share-based compensation expense recognized by Solectron	$ (20,300)
To record share-based compensation expense related to Solectron unvested share-based awards assumed	14,910
	$ (5,390)

(Note: The adjustments for share-based compensation expense above do not contemplate expense related to new awards to acquire Flextronics ordinary shares that may be granted to Solectron employees, if any.)

(e) To record amortization of acquired intangible assets.

(f) Adjustments to interest and other (income) expense, net (in thousands):

To recognize incremental interest expense on new Flextronics debt financing at an assumed 7.3% borrowing rate	$ 136,575
To amortize deferred financing costs associated with new Flextronics financing	4,000
To eliminate Solectron s historical amortization of deferred financing costs	(3,931)
To adjust Solectron s historical interest expense resulting from the fair value adjustments to the assumed debt	3,272
	$ 139,916

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(Note: Solectron s amounts reflected as interest income, interest expense and other expense, net according to their stand-alone consolidated statements of operations for all periods used to derive their statement of operations for the twelve month period ended March 2, 2007 herein have been combined to conform to Flextronics s presentation.)

(g) To record the net tax impact of the pro forma adjustments.

(h) In preparing the unaudited pro forma condensed combined financial statements, Flextronics has assumed that holders of 50% of Solectron s outstanding common stock will elect to receive new Flextronics ordinary shares, and holders of 50% of Solectron s outstanding common stock will elect to receive cash consideration. Had Flextronics assumed that holders of 70% of Solectron s outstanding common stock would elect to receive Flextronics ordinary shares and holders of 30% of Solectron s outstanding common stock would elect to receive cash consideration, Flextronics estimates that it would borrow approximately $700 million less at an estimated interest rate of 7.3% resulting in less interest expense, a corresponding increase in the combined company s equity on a pro forma basis, and basic and diluted weighted average shares outstanding would be approximately 64 million shares higher on a pro forma basis.

(i) The pro forma number of shares used in the basic and diluted per share calculations reflects the historical weighted average number of basic and diluted Flextronics ordinary shares combined with the estimated number of Flextronics ordinary shares to be issued in the acquisition. The pro forma number of shares used in the diluted per share calculation also includes ordinary share equivalents from assumed Solectron options and unvested restricted shares using the treasury stock method. Ordinary share equivalents attributable to the convertible debt assumed were not included in the diluted per share calculation as the impact was anti-dilutive.

(j) To record estimated fair value adjustments for inventory acquired from Solectron (see Note 5 below).

(k) To reclassify Solectron s classification of deferred tax assets to conform to Flextronics s presentation.

(l) Adjustments to goodwill (in thousands):

To record the preliminary purchase price allocation to goodwill as though the acquisition had occurred on March 31, 2007	$ 1,319,360
To eliminate Solectron s goodwill from previous acquisitions	(155,900)
	$ 1,163,460

(m) To record the preliminary purchase price allocation to intangible assets as though the acquisition had occurred on March 31, 2007.

(n) Adjustments to other assets (in thousands):

To record estimated deferred financing costs associated with Flextronics s debt financing of the cash paid for Solectron shares and other costs	$ 28,000
To eliminate Solectron s intangible assets from previous acquisitions	(25,800)
To eliminate Solectron s deferred financing costs	(14,450)
To reclassify Solectron s classification of deferred tax assets to conform to Flextronics s presentation	(13,768)

	$ (26,018)

(o) To record estimated employee benefit and other obligations triggered by Solectron s change in control.

(p) Adjustments to long-term debt and capital lease obligations, net of current portion (in thousands):

To reflect Flextronics s debt financing of the cash paid for Solectron shares and other costs	$ 1,870,884
To record fair value adjustments to Solectron s existing debt assumed in the acquisition	12,750
	$ 1,883,634

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(q) To record a deferred tax liability associated with acquired identifiable intangible assets at a combined state and federal effective rate of 39% for Flextronics.

(r) Adjustments to shareholders equity (in thousands):

To record the fair value of Flextronics ordinary shares issued	$ 1,806,761
To record the fair value of Solectron vested options assumed	18,514
To eliminate Solectron s shareholders equity	(2,448,200)
	$ (622,925)

4. Restructuring costs related to post-acquisition Flextronics activities

On March 29, 2007 Solectron announced that it was commencing Phase II of its contemplated restructuring plan. Restructuring and impairment charges related to its Phase II plan are estimated to be in the range of $35 million to $45 million. Further, as part of combining the two companies, Flextronics expects to incur significant restructuring costs during the year commencing with the closing of the acquisition that are in addition to Solectron s previously announced plans. The unaudited pro forma condensed combined financial statements do not reflect adjustments related to any of these restructuring costs, as management of Flextronics has not yet determined all of the restructuring activities and therefore, estimates of these costs cannot be determined at this time. Certain liabilities associated with these restructuring activities will be recognized in the opening balance sheet in accordance with EITF Issue No 95-3, *Recognition of Liabilities in Connection with a Purchase Business Combination,* and will result in an increase in goodwill.

5. Certain Non-recurring Items

As part of the estimated allocation of the purchase consideration, Flextronics recorded estimated fair value adjustments for inventory acquired from Solectron. Although such amount will be recognized as an additional cost of sale in the period following the close of the transaction, the accompanying unaudited pro forma condensed combined statement of operations does not include the impact of this adjustment due to its non-recurring nature.

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COMPARATIVE PER SHARE MARKET PRICE DATA

Flextronics ordinary shares are traded on the NASDAQ Global Select Market under the symbol FLEX. Solectron common stock is traded on the New York Stock Exchange under the symbol SLR. The following table sets forth the high and low sale prices of Flextronics ordinary shares and Solectron common stock as reported on the Nasdaq Global Select Market and the New York Stock Exchange, respectively, on June 1, 2007, which is the last full trading day preceding public announcement of the merger, and on August 3, 2007, which is the latest practicable trading day for which the closing sale prices were available prior to the date of this joint proxy statement/prospectus.

The table also includes the equivalent high and low sales prices per share of Solectron common stock on those dates. These equivalent high and low prices per share reflect the fluctuating value of the Flextronics ordinary shares that would be received by a Solectron stockholder who has elected to receive Flextronics shares, applying the exchange ratio of 0.3450 of a Flextronics ordinary share for each share of Solectron common stock.

	Flextronics		Solectron			
	Ordinary Shares		Common Stock		Equivalent Solectron Per Share Price	
	High	Low	High	Low	High	Low
June 1, 2007	$ 11.76	$ 11.44	$ 3.43	$ 3.35	$ 4.06	$ 3.95
August 3, 2007	$ 11.47	$ 11.10	$ 3.87	$ 3.77	$ 3.96	$ 3.83

The above table shows only historical comparisons. These comparisons may not provide meaningful information to Solectron stockholders in determining whether to adopt the merger agreement or whether to elect to receive stock or cash in the merger. Solectron stockholders are urged to obtain current market quotations for Flextronics ordinary shares and Solectron common stock and to review carefully the other information contained in this joint proxy statement/prospectus or incorporated by reference into this joint proxy statement/prospectus in considering whether to adopt the merger agreement and whether to elect to receive stock or cash in the merger. See the section entitled Where You Can Find More Information beginning on page 183 of this joint proxy statement/prospectus.

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DESCRIPTION OF FLEXTRONICS SHARE CAPITAL

The following statements are brief summaries of Flextronics s capital structure and important rights and privileges of shareholders conferred by applicable Singapore law and Flextronics s Memorandum of Association and Articles of Association, in each case as currently in effect. These statements summarize the material provisions of applicable Singapore law governing the rights of Flextronics shareholders and Flextronics s Memorandum of Association and Articles of Association, in each case as currently in effect, but are qualified in their entirety by reference to applicable Singapore law and Flextronics s Memorandum of Association, a copy of which has been filed as Exhibit 3.01 to Flextronics s Annual Report on Form 10-K for the fiscal year ended March 31, 2007, and Flextronics s Articles of Association, a copy of which has been filed as Exhibit 3.01 to Flextronics s Report on Form 8-K filed on October 11, 2006. Copies of Flextronics s Memorandum of Association and Articles of Association are also available for inspection at Flextronics s registered office in Singapore.

Ordinary Shares

Flextronics s share capital consists of ordinary shares, with no par value per ordinary share. As a result of amendments to the Singapore Companies Act effected by the Singapore Companies (Amendment) Act 2005, which became effective on January 30, 2006, companies no longer have an authorized share capital. There is a provision in Flextronics s Articles of Association to enable it in specified circumstances to issue shares with preferential, deferred or other special rights or restrictions as Flextronics s directors may determine, subject to the provisions of the Singapore Companies Act and Flextronics s Articles of Association. All ordinary shares presently issued are fully paid and existing shareholders are not subject to any calls on ordinary shares. All ordinary shares are in registered form. Flextronics cannot, except in the circumstances permitted by the Singapore Companies Act, grant any financial assistance for the acquisition or proposed acquisition of Flextronics s own ordinary shares.

New Shares

Under applicable Singapore law, new shares may be issued only with the prior approval from Flextronics s shareholders in a general meeting. General approval may be sought from Flextronics s shareholders in a general meeting for the issue of shares. Approval, if granted, will lapse at the earlier to occur of:

- the conclusion of the next annual general meeting; or
- the expiration of the period within which the next annual general meeting is required by law to be held.

Subject to this approval, the provisions of the Singapore Companies Act and Flextronics s Articles of Association, all new shares are under the control of the directors who may allot and issue new shares to such persons on such terms and conditions and with the rights and restrictions as they may think fit to impose.

Shareholders

Only persons who are registered in Flextronics s Register of Members are recognized as shareholders and absolute owners of the ordinary shares. Flextronics may close the Register of Members for any time or times, but the register may not be closed for more than thirty days in any calendar year. Closure is normally made for the purpose of determining shareholders entitlement to receive dividends and other distributions and would, in the usual case, not exceed ten days.

Transfer of Ordinary Shares

Subject to applicable securities laws and Flextronics s Articles of Association, Flextronics s ordinary shares are freely transferable. The directors may decline to register any transfer of ordinary shares on which Flextronics has a lien and, for shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve. Shares may be transferred by a duly signed instrument of transfer in a form approved by the directors. The directors may decline to register any transfer unless, among other things, it is presented for registration together with a certificate of payment of stamp duty (if any), the share certificate and other evidence of title as they may require. Flextronics will replace lost or destroyed certificates for shares upon notice to it and upon, among other things, the applicant furnishing evidence and indemnity as the directors may require.

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Re-election of Directors

Under Article 95 of Flextronics s Articles of Association, at each annual general meeting, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the directors, are required to retire by rotation from office. Under Article 96 of Flextronics s Articles of Association, the directors required to retire in each year are those who have been in office longest since their last re-election or appointment. As between persons who became or were last re-elected directors on the same day, those required to retire are (unless they otherwise agree among themselves) determined by lot. Retiring directors are eligible for re-election. Under Article 91 and Article 95 of Flextronics s Articles of Association, any director holding office as a Chief Executive Officer (or a person holding an equivalent position) shall not, unless Flextronics s board of directors determines otherwise, be subject to retirement by rotation or be taken into account in determining the number of directors to retire by rotation. Under Article 101 of Flextronics s Articles of Association, any director appointed by Flextronics s board of directors is subject to re-election at the next annual general meeting, but shall not be taken into account in determining the number of directors required to retire by rotation at that annual general meeting.

Shareholders Meetings

Flextronics is required to hold an annual general meeting in each year. Under Flextronics s Articles of Association, any general meeting other than the annual general meeting is called an extraordinary general meeting. The directors may convene an extraordinary general meeting whenever they think fit, and they must also do so upon the written request of shareholders representing not less than one-tenth of the paid-up capital as at the date of the deposit of the written request (disregarding paid-up capital held as treasury shares) that carries the right of voting at general meetings. In addition, two or more shareholders holding not less than one-tenth of the total number of issued ordinary shares of Flextronics (excluding treasury shares) may call a meeting of Flextronics s shareholders.

Unless otherwise required by law or by Flextronics s Articles of Association, voting at general meetings is by ordinary resolution, requiring the affirmative vote of a simple majority of the votes cast at a meeting of which at least fourteen days written notice is given. An ordinary resolution suffices, for example, for appointments of directors. A special resolution, requiring an affirmative vote of a majority of not less than 75% of the votes cast at a general meeting of which not less than 21 days written notice specifying the intention to propose the resolution as a special resolution has been duly given, is necessary for certain matters under Singapore law, such as an alteration of Flextronics s Articles of Association.

Voting Rights

Voting at any meeting of shareholders is by a show of hands unless a poll is duly demanded before or on the declaration of the result of the show of hands. If voting is by a show of hands, every shareholder who is entitled to vote and who is present in person or by proxy at the meeting has one vote. On a poll, every shareholder who is present in person or by proxy or by attorney, or in the case of a corporation, by a representative, has one vote for every share held by him. A poll may be demanded by any of:

- the chairman of the meeting;
- not less than three shareholders who are entitled to vote at the meeting and who are present in person or by proxy or by attorney, or in the case of a corporation, by a representative;
- any shareholder or shareholders present in person or by proxy or by attorney, or in the case of a corporation, by a representative and representing not less than one-tenth of the total voting rights of all shareholders having the right to vote at the meeting; or

any shareholder or shareholders present in person or by proxy or by attorney, or in the case of a corporation, by a representative, and holding not less than one-tenth of the total number of paid-up shares of Flextronics (excluding treasury shares).

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Dividends

In an annual general meeting, Flextronics s shareholders may declare dividends, but no dividend will be payable in excess of the amount recommended by the directors. The directors may also declare an interim dividend. No dividend may be paid except out of Flextronics s profits. Except as otherwise may be provided in special rights as to dividends specified in the terms of issue of any ordinary shares (no such ordinary shares currently being in issue), all dividends are paid pro rata among the shareholders. To date, Flextronics has not declared any cash dividends on Flextronics s ordinary shares and has no current plans to pay cash dividends in the foreseeable future.

Bonus and Rights Issues

In a general meeting, Flextronics s shareholders may, upon the recommendation of the directors,

- issue bonus shares for which no consideration is payable to Flextronics, to the shareholders in proportion to their shareholdings; and/or

- capitalize any reserves or profits and distribute them as bonus shares to the shareholders in proportion to their shareholdings.

The directors may also issue to shareholders rights to take up additional shares, in proportion to their shareholdings. These rights are subject to any conditions attached to the issue and the regulations of any stock exchange on which the ordinary shares are listed.

Takeovers

The acquisition of Flextronics s ordinary shares is regulated by the Securities and Futures Act and the Singapore Code on Take-overs and Mergers.

Under the Singapore Code on Take-overs and Mergers, where:

- any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of a company, or

- any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six months additional shares carrying more than 1% of the voting rights,

such person is required to extend a mandatory take-over offer for the remaining voting shares of the company. The Securities Industry Council is empowered to waive compliance with this requirement.

Subject to certain exceptions, a mandatory offer made must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert with him for voting rights of the offeree company during the offer period and within six months prior to its commencement.

Liquidation or Other Return of Capital

On a winding-up or other return of capital, subject to any special rights attaching to any other class of shares, holders of ordinary shares will be entitled to participate in any surplus assets in proportion to their shareholdings.

Indemnity

As permitted by the laws of Singapore, Flextronics s Articles of Association provide that, subject to the Singapore Companies Act, Flextronics s directors and officers will be indemnified by Flextronics against any liability incurred by them in defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by them as officers, directors or employees of Flextronics and in which judgment is given in their favor (or where the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part) or in which they are acquitted, or in connection with any application under any statute for relief from liability in respect thereof in which relief is granted by the court.

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Directors and officers may not be indemnified by Flextronics against any liability which by law would otherwise attach to them relating to any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to Flextronics.

Limitations on Rights to Hold or Vote Ordinary Shares

Except as discussed above under Takeovers, there are no limitations imposed by the laws of Singapore or by Flextronics s Articles of Association on the right of non-resident shareholders to hold or vote ordinary shares.

Transfer Agent

Flextronics s transfer agent is Computershare Trust Company, N.A., 250 Royall Street, Canton MA, 02021.

COMPARISON OF RIGHTS OF HOLDERS OF SOLECTRON COMMON STOCK AND HOLDERS OF FLEXTRONICS ORDINARY SHARES

Upon consummation of the merger, the former stockholders of Solectron, a Delaware corporation, who elected to receive ordinary shares of Flextronics in exchange for their Solectron common stock or who otherwise will receive ordinary shares of Flextronics in accordance with the Merger Agreement, will become shareholders of Flextronics, a company incorporated under the laws of Singapore, and applicable Singapore law and Flextronics s Memorandum of Association and Articles of Association will govern the rights of former Solectron stockholders as holders of Flextronics ordinary shares. The following is a summary of certain material differences between (i) the rights of Solectron stockholders under applicable Delaware law and Solectron s Certificate of Incorporation and Bylaws, in each case as currently in effect and (ii) the rights of Flextronics shareholders under applicable Singapore law and Flextronics s Memorandum of Association and Articles of Association, in each case as currently in effect. The following summary does not purport to be a complete statement of the provisions affecting, and the differences between, the rights of Solectron stockholders and the rights of Flextronics shareholders. The following summary is qualified in its entirety by reference to applicable Delaware law, Solectron s Certificate of Incorporation and Bylaws, applicable Singapore law and Flextronics s Memorandum of Association and Articles of Association. Flextronics has filed its Memorandum of Association and Articles of Association with the SEC, and Solectron has filed its Certificate of Incorporation and Bylaws with the SEC. See the section entitled Where You Can Find More Information, beginning on page 183 of this joint proxy statement/prospectus. The identification of specific differences is not intended to indicate that other equally or more significant differences do not exist.

Capital Stock

Solectron Solectron s Certificate of Incorporation authorizes Solectron to issue:

1,600,000,000 shares of Solectron common stock, $0.001 par value per share, and

1,200,000 shares of preferred stock, $0.001 par value per share.

Flextronics Flextronics s share capital consists of ordinary shares, with no par value per ordinary share. As a result of amendments to the Singapore Companies Act effected by the Singapore Companies (Amendment) Act 2005, which became effective on January 30, 2006, companies no longer have an authorized share capital. There is a provision in Flextronics s Articles of Association to enable it in specified circumstances to issue shares with preferential, deferred or other special rights or restrictions as Flextronics s directors may determine, subject to the provisions of the Singapore Companies Act and Flextronics s Articles of Association.

Board Authority to Issue Shares

Solectron Under applicable Delaware law, Solectron s directors may, if all of the shares of stock authorized by Solectron s Certificate of Incorporation have not been issued, subscribed for or otherwise committed to be issued, issue or take subscriptions for additional shares of stock up to the amount authorized in Solectron s Certificate of Incorporation.

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Flextronics Under applicable Singapore law, new shares may be issued only with the prior approval from Flextronics s shareholders in a general meeting. General approval may be sought from Flextronics s shareholders in a general meeting for the issue of shares. Approval, if granted, will lapse at the earlier to occur of:

the conclusion of the next annual general meeting; or

the expiration of the period within which the next annual general meeting is required by law to be held.

Subject to this approval, the provisions of the Singapore Companies Act and Flextronics s Articles of Association, all new shares are under the control of the directors who may allot and issue new shares to such persons on such terms and conditions and with the rights and restrictions as they may think fit to impose.

Number and Qualification of Directors

Solectron Under applicable Delaware law, the board of directors may change the authorized number of directors by amendment to the bylaws or in the manner provided in the bylaws unless the number of directors is fixed in the certificate of incorporation, in which case a change in the number of directors may be made only by amendment to the certificate of incorporation. Solectron s Certificate of Incorporation provides that the number of directors shall be as specified in Solectron s Bylaws. Solectron s Bylaws currently provide that the number of directors of the corporation shall consist of nine members until changed by amendment to the bylaws or by amendment to Solectron s Certificate of Incorporation.

Flextronics Under Flextronics s Articles of Association and subject to the provisions of the Singapore Companies Act, the number of directors may not be less than two nor, unless otherwise determined by the shareholders at a general meeting, more than eleven. Flextronics s board of directors currently consists of eight directors.

Classification of Board of Directors

Solectron Under applicable Delaware law, all directors of a Delaware corporation are elected annually; however, a corporation may designate a classified board in its initial certificate of incorporation or bylaws or by adopting amendments to its certificate of incorporation and/or bylaws, which amendments must be approved by the corporation s stockholders. Solectron s Certificate of Incorporation and Bylaws do not provide for a classified board of directors. Solectron s Bylaws provide that directors are elected at each annual meeting of stockholders to hold office until the expiration of the term for which they are elected and until their successors have been duly elected and qualified.

Flextronics Under Article 95 of Flextronics s Articles of Association, at each annual general meeting, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to but not more than one-third of the directors, are required to retire by rotation from office. Under Article 96 of Flextronics s Articles of Association, the directors required to retire in each year are those who have been in office longest since their last re-election or appointment. As between persons who became or were last re-elected directors on the same day, those required to retire are (unless they otherwise agree among themselves) determined by lot. Retiring directors are eligible for re-election. Under Article 101 of Flextronics s Articles of Association, any director appointed by Flextronics s board of directors is subject to re-election at the next annual general meeting, but shall not be taken into account in determining the number of directors required to retire by rotation at that annual general meeting.

Cumulative Voting

Solectron Under Delaware law, cumulative voting in the election of directors is not mandatory, and for cumulative voting to be effective it must be expressly provided for in the certificate of incorporation. Solectron s Certificate of Incorporation provides for cumulative voting. In an election of directors under cumulative voting, each share of stock normally having one vote is entitled to a number of votes equal to the number of directors to be elected. A shareholder may then cast all such votes for a single candidate or may allocate them among as many candidates as the shareholder may choose. Without cumulative voting, the nominees receiving the highest number of affirmative votes at a meeting at which a quorum is present will be elected as directors.

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Flextronics Flextronics s shareholders do not have any cumulative voting rights. An ordinary resolution is required to approve the re-election, or as the case may be, the re-appointment of the directors. The affirmative vote by a show of hands of at least a majority of the shareholders present and voting at the annual general meeting, or if a poll is demanded in accordance with Flextronics s Articles of Association, a simple majority of the shares voting at the annual general meeting, is required to approve an ordinary resolution.

Filling Vacancies on the Board of Directors

Solectron Solectron s Bylaws provide that vacancies in the board of directors arising from the resignation or death of a director or increase in the number of directors may be filled by a majority of the remaining members of the board of directors. This is true even if the majority is less than a quorum, or if there is a sole remaining director. Each director elected in this manner holds office until his or her successor is elected at the next succeeding annual meeting of stockholders or at a special meeting called for that purpose. A vacancy created by the removal of a director may be filled only by the approval of the stockholders.

Flextronics Under Flextronics s Articles of Association, shareholders may in any general meeting appoint another person in place of a director removed from office. Any director so appointed shall be treated for the purpose of determining the time at which he or any other director is to retire by rotation as if he had become a director on the day on which the director in whose place he is appointed was last elected as a director. In addition, under Flextronics s Articles of Association, the board of directors has the power, at any time, to appoint any person to be a director either to fill a casual vacancy or as an additional director, provided that the total number of directors does not at any time exceed the maximum number of directors fixed by Flextronics s Articles of Association. Any person so appointed will only hold office until the next annual general meeting, and will then be eligible for re-election.

Removal of Directors

Solectron Under applicable Delaware law and Solectron s Bylaws, any director or the entire board of directors may be removed with or without cause by the holders of a majority of the shares then entitled to vote at an election of directors, except that as long as stockholders of the corporation are entitled to cumulative voting, no individual director may be removed without cause (unless the entire board is removed) if the number of votes cast against such removal would be sufficient to elect the director under cumulative voting. Whenever the holders of any class or series are entitled to elect one or more directors by the Certificate of Incorporation, such director or directors may be removed without cause only if there are sufficient votes by the holders of the outstanding shares of the class or series. Furthermore, Solectron s Bylaws provide that no reduction of the authorized number of directors would have the effect of removing any director prior to the expiration of that director s term in office.

Flextronics Under Flextronics s Articles of Association, shareholders may, in accordance with the provisions of the Singapore Companies Act and by ordinary resolution of which special notice has been given, remove any director before the expiration of his period of office.

Action by Written Consent of Shareholders or Stockholders

Solectron Under applicable Delaware law and Solectron s Bylaws, any action required to be taken or which may be taken at an annual or special meeting of stockholders may be taken without a meeting and without prior notice if a consent in writing is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all shares entitled to vote were present and voted and delivered to Solectron in the manner prescribed by Delaware law.

Flextronics Under Flextronics s Articles of Association and subject to the provisions of the Singapore Companies Act, a written resolution signed by every registered shareholder has the same effect and validity as an ordinary resolution passed at a duly convened, held and constituted general meeting of shareholders.

Special or Extraordinary General Meetings

Solectron Under applicable Delaware law, special meetings of the stockholders may be called by the board of directors or by any other person as may be authorized to do so by the certificate of incorporation or the bylaws of

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the corporation. Solectron s Bylaws provide that Solectron s board of directors, chairman of the board, president, secretary, or holders of shares entitled to cast not less than 10% of the votes at the meeting may call a special meeting of the Solectron stockholders.

Flextronics Under the Singapore Companies Act and Flextronics s Articles of Association, Flextronics is required to hold an annual general meeting in each year. Flextronics s Articles of Association provide that any general meeting other than the annual general meeting is called an extraordinary general meeting. The directors may convene an extraordinary general meeting whenever they think fit, and they must also do so upon the written request of shareholders representing not less than one-tenth of the paid-up capital as at the date of the deposit of the written request (disregarding paid-up capital held as treasury shares) that carries the right of voting at general meetings. In addition, two or more shareholders holding not less than one-tenth of the total number of issued shares of Flextronics (excluding treasury shares) may call a meeting of Flextronics s shareholders.

Inspections of Shareholders List

Solectron Section 220 of the Delaware General Corporation Law, or the DGCL, provides any stockholder of a Delaware corporation with the right to inspect the corporation s stock ledger, stockholder lists and other books and records for a purpose reasonably related to the person s interest as a stockholder.

Flextronics Under the Singapore Companies Act, a Singapore company s register of members and index is required to be open to the inspection of any member without charge and of any other person on payment for each inspection of one Singapore dollar or a lower amount as determined by the company.

Dividends, Distributions and Repurchase of Shares

Solectron Under applicable Delaware law, a Delaware corporation generally may declare and pay dividends out of surplus, or, if there is no surplus, out of net profits for the fiscal year in which the dividend is declared and/or for the preceding fiscal year as long as the amount of capital of the corporation following the declaration and payment of the dividend is not less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets. Solectron s Bylaws provide that the board of directors may declare and pay dividends upon the shares of its capital stock pursuant to the DGCL. Dividends may be paid in cash, property, or in shares of the capital stock, subject to any preferential dividend rights of any then outstanding preferred stock. Solectron has not paid any cash dividend on its common stock since its inception and has no current plans to pay cash dividends in the foreseeable future.

Under applicable Delaware law, any Delaware corporation may redeem or repurchase its own shares, except that generally it may not redeem or repurchase these shares if the capital of the corporation is impaired at the time or would become impaired as a result of the redemption. A Delaware corporation may redeem or repurchase shares having a preference, or if no share entitled to such a preference are outstanding, any of its shares, upon the distribution of any of its assets if such shares will be retired upon acquisition, and provided that, after the reduction in capital made in connection with such retirement of shares, the corporation s remaining assets are sufficient to pay any debts not otherwise provided for.

Flextronics In an annual general meeting, Flextronics s shareholders may declare dividends, but no dividend will be payable in excess of the amount recommended by the directors. The directors may also declare an interim dividend. No dividend may be paid except out of Flextronics s profits. Except as otherwise may be provided in special rights as to dividends specified in the terms of issue of any ordinary shares (no such ordinary shares currently being in issue), all dividends are paid pro rata among the shareholders. To date, Flextronics has not declared any cash dividends on Flextronics s ordinary shares and has no current plans to pay cash dividends in the foreseeable future.

Flextronics s Articles of Association provide that subject to the provisions of the Singapore Companies Act, Flextronics may purchase or otherwise acquire its ordinary shares on such terms and in such manner as Flextronics may think fit. Any shares so purchased or acquired by Flextronics may be (i) held as treasury shares in accordance with the Singapore Companies Act or cancelled and (ii) held or dealt with by Flextronics in such manner as may be permitted by, and in accordance with, the Singapore Companies Act. On any cancellation of the shares, the rights

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and privileges attached to those shares will expire. Flextronics may not, except as provided in the Singapore Companies Act, grant any financial assistance for the acquisition or proposed acquisition of its own ordinary shares.

Indemnification and Limitation on Personal Liability

Solectron Section 145 of the DGCL empowers a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation) by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. A corporation may, in advance of the final resolution of any civil, criminal, administrative or investigative action, suit or proceeding, pay the expenses (including attorneys fees) incurred by any officer, director, employee or agent in defending such action, provided that the director or officer undertakes to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the corporation. A corporation may indemnify such person against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding (other than an action by or in the right of the corporation) if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

A Delaware corporation may indemnify officers and directors in an action by or in the right of the corporation to procure a judgment in its favor under the same conditions as described in the foregoing paragraph, except that no indemnification is permitted without judicial approval if the officer or director is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him or her against the expenses (including attorneys fees) which he or she actually and reasonably incurred in connection therewith. The indemnification provided is not deemed to be exclusive of any other rights to which an officer or director may be entitled under any corporation s bylaw, agreement, vote or otherwise. Solectron s Bylaws provide for mandatory indemnification of and advance of expenses to directors and officers to the fullest extent permitted by Delaware law.

Solectron s Bylaws provide that Solectron may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of Solectron, or is or was serving at the request of Solectron as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise or as a member of any committee or similar body against any liabilities incurred by that person in any such capacity or arising out of that person s status as such. Solectron s Bylaws also empower Solectron to indemnify to the fullest extent permitted by applicable law, each of its employees and agents (other than directors and officers) against expenses (including attorneys fees), judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation.

Flextronics As permitted by the laws of Singapore, Flextronics s Articles of Association provide that, subject to the Singapore Companies Act, Flextronics s directors and officers will be indemnified by Flextronics against any liability incurred by them in defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by them as officers, directors or employees of Flextronics and in which judgment is given in their favor (or where the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part) or in which they are acquitted, or in connection with any application under any statute for relief from liability in respect thereof in which relief is granted by the court. Directors and officers may not be indemnified by Flextronics against any liability which by law would otherwise attach to them relating to any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to Flextronics.

Amendments to Governing Documents

Solectron Under the DGCL, a Delaware corporation s certificate of incorporation generally may be amended by approval of the board of directors of the corporation and the affirmative vote of the holders of a

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majority of the outstanding shares entitled to vote on the amendment. Any amendment of a provision of the certificate of incorporation requiring a higher vote, or having certain effects on a class or series of a class of shares, may only be altered, amended or repealed if authorized by such higher vote or by such class or series of a class, respectively. Solectron s Certificate of Incorporation reserves Solectron s right to amend, alter, change or repeal any provision contained in the Certificate of Incorporation, in the manner prescribed by Delaware law, and does not impose any supermajority voting requirements.

Under Delaware law, stockholders entitled to vote have the power to adopt, amend or repeal bylaws. In addition, a corporation may, in its certificate of incorporation, confer such power upon the board of directors. Solectron s Bylaws provide that its Bylaws, may be adopted, amended or repealed by a majority of the stockholders entitled to vote. Solectron has, in its Certificate of Incorporation, also conferred the power to adopt, amend or repeal bylaws upon its directors, which power does not divest or limit the stockholders power to adopt, amend or repeal the Bylaws.

Flextronics Under applicable Singapore law, Flextronics s objects clauses contained in its Memorandum of Association and Articles of Association may be altered or amended and new articles may be adopted by the affirmative vote by a show of hands of at least 75% of the shareholders present and voting at an extraordinary general meeting or annual general meeting of shareholders, or, if a poll is duly demanded as previously described, at least 75% of the shares voting at the meeting. Flextronics s board of directors has no right to amend the objects clauses contained in Flextronics s Memorandum of Association or its Articles of Association.

Transactions with Officers and Directors

Solectron Under the DGCL, contracts or transactions in which one or more of a Delaware corporation s directors has an interest are not void or voidable because of such interest provided that some conditions, such as obtaining the required approval and fulfilling the requirements of good faith and full disclosure, are met. Under the DGCL, either (i) the stockholders or the board of directors must approve in good faith any such contract or transaction after full disclosure of the material facts or (ii) the contract or transaction must have been fair as to the corporation at the time it was approved. If board approval is sought, the contract or transaction must be approved in good faith by a majority of disinterested directors after full disclosure of material facts, even though less than a majority of a quorum.

Flextronics Under the Singapore Companies Act, directors are not prohibited from dealing with the company, but where they have an interest in a transaction with the company, that interest must be disclosed to the board of directors. In particular, every director who is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with the company must, as soon as practicable after the relevant facts have come to his knowledge, declare the nature of his interest at a board of directors meeting.

In addition, a director who holds any office or possesses any property which directly or indirectly might create interests in conflict with his duties as director is required to declare the fact and the nature, character and extent of the conflict at a meeting of directors.

The Singapore Companies Act extends the scope of this statutory duty of a director to disclose any interests by pronouncing that an interest of a member of a director s family (including his spouse, son, adopted son, step-son, daughter, adopted daughter and step-daughter) will be treated as an interest of the director.

There is however no requirement for disclosure where the interest of the director consists only of being a member or creditor of a corporation which is interested in the proposed transaction with the company and the interest may properly be regarded as immaterial. Where the proposed transaction relates to any loan to the company, no disclosure need be made where the director has only guaranteed the repayment of such loan, unless the articles of association provide otherwise.

Further, where the proposed transaction pertains to a related corporation (i.e. the holding company, subsidiary or subsidiary owned by a common holding company) no disclosure need be made of the fact that the director is also a director of that corporation, unless the articles of association provide otherwise.

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Subject to specified exceptions, the Singapore Companies Act prohibits a Singapore company from making a loan to its directors or to directors of a related corporation, or giving a guarantee or security in connection with such a loan. Companies are also prohibited from making loans to its directors spouses or children (whether adopted, natural-born or step-children), or giving a guarantee or security in connection with such a loan.

Stockholder or Shareholder Suits

Solectron Under the DGCL, a stockholder may bring a derivative action on behalf of the corporation to enforce the rights of the corporation. An individual also may commence a class action suit on behalf of himself or herself and other similarly situated stockholders where the requirements for maintaining a class action under the DGCL have been met. Generally, a person may institute and maintain such a suit only if such person was a stockholder at the time of the transaction which is the subject of the suit or his or her shares thereafter devolved upon him or her by operation of law. The DGCL also requires that the derivative plaintiff make a demand on the directors of the corporation to assert the corporate claim before the suit may be prosecuted by the derivative plaintiff, unless such demand would be futile.

Flextronics The Singapore Companies Act has a provision, which is limited in its scope to companies that are not listed on the securities exchange in Singapore, which provides a mechanism enabling shareholders to apply to the court for leave to bring a derivative action on behalf of the company.

Applications are generally made by shareholders of the company or individual directors, but courts are given the discretion to allow such persons as they deem proper to apply (e.g., beneficial owner of shares). This section of the Singapore Companies Act is primarily used by minority shareholders to bring an action in the name and on behalf of the company or intervene in an action to which the company is a party for the purpose of prosecuting, defending or discontinuing the action on behalf of the company.

The concept of class action suits in the sense which allows individual shareholders to bring an action on behalf of the class of shareholders, does not exist in Singapore. Although there have been suggestions that shareholders may bring a representative action under the Singapore court s procedural rules, there is no reported case in Singapore where such an action has been pursued. The representative action is merely a procedural device which generally allows a person to act in a representative capacity for the other parties to the action. Accordingly, it is doubtful whether such a procedural provision would be of much applicability in relation to class actions.

Although there is the possibility of common law derivative actions under Section 216A of the Singapore Companies Act, doubts have arisen as to whether the common law derivative action is still available for a Singapore company that is not listed on a securities exchange in Singapore, and in practice, resort is commonly made to Section 216A of the Singapore Companies Act. A Singapore court may also order derivative actions to proceed when hearing an action based on unfair prejudice or oppression under Section 216 of the Singapore Companies Act.

Takeovers

Solectron Section 203 of the DGCL generally prohibits a Delaware corporation from engaging in specified corporate transactions (such as mergers, stock and asset sales, and loans) with an interested stockholder for three years following the time that the stockholder becomes an interested stockholder, unless (1) prior to such time the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder; (2) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding (but not outstanding voting stock owned by the interested stockholder) those shares owned (i) by persons who are directors and also officers and (ii) employee stock plans in which employee participants do not have

the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or (3) at or subsequent to such time the business combination is approved by the board of directors and authorized at an annual or special meeting of the stockholders, and not be written consent, by the affirmative vote of at least 662/3% of the outstanding voting stock which is not owned by the interested stockholder.

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Subject to these specified exceptions, an interested stockholder is a person or group that owns 15% or more of the corporation s outstanding voting stock (including any rights to acquire stock pursuant to an option, warrant, agreement, arrangement or understanding, or upon the exercise of conversion or exchange rights, and stock with respect to which the person has voting rights only), or is an affiliate or associate of the corporation and was the owner of 15% or more of the voting stock at any time within the previous three years.

A Delaware corporation may elect to opt out of, and not be governed by, Section 203 through a provision in either its original certificate of incorporation or its bylaws, or an amendment to its original certificate or bylaws that was approved by majority stockholder vote. Solectron has not made this election.

Flextronics The acquisition of Flextronics s ordinary shares is regulated by the Securities and Futures Act and the Singapore Code on Take-overs and Mergers.

Under the Singapore Code on Take-overs and Mergers, where:

> any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of a company, or
>
> any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six months additional shares carrying more than 1% of the voting rights,

such person is required to extend a mandatory take-over offer for the remaining voting shares of the company. The Securities Industry Council is empowered to waive (albeit rarely granted) compliance with this requirement.

Subject to certain exceptions, a mandatory offer made must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert with him for voting rights of the offeree company during the offer period and within six months prior to its commencement.

Shareholder or Stockholder Approval of Business Combinations

Solectron Generally, under the DGCL, completion of a merger, consolidation, or the sale, lease or exchange of substantially all of a Delaware corporation s assets or dissolution requires approval by the board of directors and by a majority (unless the certificate of incorporation requires a higher percentage) of outstanding capital stock of the corporation entitled to vote.

The DGCL also requires a special vote of stockholders in connection with a business combination with an interested stockholder as defined in section 203 of the DGCL. See the section entitled Takeovers above.

Flextronics The Singapore Companies Act mandates that specified business combinations require approval by the shareholders in a general meeting, notably:

> notwithstanding anything in the company s memorandum or articles of association, directors are not permitted to carry into effect any proposals for disposing of the whole or substantially the whole of the company s undertaking or property unless those proposals have been approved by shareholders in a general meeting;
>
> subject to the memorandum of each amalgamating company, an amalgamation proposal must be approved by the shareholders of each amalgamating company via special resolution at a general meeting; and

notwithstanding anything in the company s memorandum or articles of association, the directors may not, with the prior approval of shareholders, issue shares.

Appraisal or Dissenters Rights

Solectron Under the DGCL, a stockholder of a Delaware corporation that is a constituent party in a merger may, under varying circumstances, be entitled to appraisal rights pursuant to which the stockholder may receive cash in the amount of the fair value of his or her shares in lieu of the consideration he or she would otherwise receive in the transaction. No appraisal rights are available to holders of shares of any class of stock which is either: (i) listed

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on a national securities exchange or designated as a national market system security on an interdealer quotation system by the NASD or (ii) held by more than 2,000 stockholders of record, with respect to a merger or consolidation if the terms of the merger or consolidation do not require the stockholders to receive consideration other than shares of the surviving corporation or shares of any other corporation that are either listed on a national securities exchange or designated as a national market system security on an interdealer quotation system by the NASD or held of record by more than 2,000 holders, plus cash in lieu of fractional shares.

Flextronics There are no equivalent provisions in Singapore under the Singapore Companies Act.

Dissolution

Solectron Under applicable Delaware law, the dissolution of a Delaware corporation may be authorized by the corporation s board of directors and by the holders of a majority of the corporation s outstanding stock, or by all the corporation s stockholders entitled to vote on the dissolution.

Flextronics Under applicable Singapore law, a Singapore company can be dissolved if it is liquidated, voluntarily by its shareholders or creditors, or otherwise by an order of a court on the petition of various interested parties. A defunct company which has ceased to carry on business may be struck off of the Singapore Register of Companies. On a winding-up or other return of capital, subject to any special rights attaching to any other class of shares, holders of ordinary shares will be entitled to participate in any surplus assets in proportion to their shareholdings.

Transferability of Shares

Solectron Under applicable Delaware law, as a general matter, and subject to applicable securities laws and restrictions on transfer as may be imposed by a Delaware corporation s certificate of incorporation, bylaws or by agreement, shares and share certificates are freely transferable, provided that the necessary steps are taken to have the transfer properly recorded in the records of the corporation.

Flextronics Subject to applicable securities laws and Flextronics s Articles of Association, Flextronics s ordinary shares are freely transferable. The directors may decline to register any transfer of ordinary shares