

FLEXTRONICS INTERNATIONAL LTD.
Form 8-K
May 20, 2009

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 14, 2009

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

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| Singapore (State or other Jurisdiction of Incorporation) | 0-23354 (Commission File Number) | Not Applicable (IRS Employer Identification No.) |
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|---|-----------------------------|
| One Marina Boulevard, # 28-00, Singapore (Address of Principal Executive Offices) | 018989 (Zip Code) |
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Registrant's telephone number, including area code: **(65) 6890-7188**

Not Applicable

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) Executive Compensation

Annual Incentive Bonus Plan for Fiscal 2010

On May 14, 2009, the Board approved the Company's annual incentive bonus plan for fiscal 2010. The plan provides its executive officers with the opportunity to earn quarterly cash bonuses based upon the achievement of pre-established performance goals. Bonus opportunities will be based on achievement of quarterly targets, provided that the free cash flow performance metric will be measured solely on an annual basis. 50% of the quarterly payouts (if any) will be held back and will not be payable until after the fiscal year end. In addition, payout levels not achieved based on quarterly results may be recouped based on annual results. Performance goals under the plan will be: quarterly earnings per share, operating profit (as a percentage of sales), return on invested capital and SG&A targets, and annual free cash flow targets, at the Company level; and quarterly, operating profit (as a percentage of sales), inventory turnover, cash conversion cycle and vertical integration targets at the business unit level for certain executives. The plan allows awards to provide for different metrics, target levels and weightings for different executives.

Under the annual incentive bonus plan, target award opportunities are set at various percentages of base salary, which will be: 150% of base salary in the case of the Chief Executive Officer; 100% of base salary in the case of the Chief Financial Officer; and between 60% and 80% of base salary in the cases of other officers. Actual payout opportunities for each bonus component will range from 50% of target to a maximum of 300% of target (200% in the cases of the CEO and CFO) based on achievement of the performance measures. If the Company fails to achieve the threshold level for any performance measure, no payout is awarded for that measure. For purposes of determining achievement of award opportunities, the annual bonus plan uses adjusted, non-GAAP measures.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FLEXTRONICS INTERNATIONAL LTD.

Date: May 20, 2009

By: /s/ Paul Read

Name: Paul Read

Title: Chief Financial Officer

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