

TERADYNE

ANALYST DAY 2025

SAFE HARBOR

This presentation contains forward-looking statements including statements regarding Teradyne's future business prospects, financial performance or position and results of operations. You can identify forward-looking statements by their use of forward-looking words such as "anticipate," "expect," "plan," "could," "may," "will," "believe," "estimate," "goal" or other comparable terms. Readers are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements due to known and unknown risks, uncertainties, assumptions, and other factors. Such factors include, but are not limited to, macroeconomic factors and slowdowns or downturns in economic conditions generally and in the markets in which Teradyne operates; decreased or delayed product demand from one or more significant customers; a slowdown or inability in the development, delivery and acceptance of new products; the ability to grow the Robotics business; the impact of increased research and development spending; the impact of epidemics or pandemics; the impact of a supply shortage on our supply chain and contract manufacturers; the consummation and success of any mergers or acquisitions; unexpected cash needs; the business judgment of the board of directors that a declaration of a dividend or the repurchase of common stock is not in Teradyne's best interests; changes to U.S. or global tax regulations or guidance; the impact of any tariffs or export controls imposed by the U.S. or China or other countries; the impact of U.S. Department of Commerce or other government agency regulations relating to customers or potential customers; the impact of U.S. Department of Commerce export control regulations for certain U.S. products and technology sold to military end users or for military end-use in China; the impact of the current or future armed conflicts; the impact of regulations published by the U.S. Department of Commerce relating to semiconductors and semiconductor manufacturing equipment destined for certain end uses in China; and the impact of trade regulations and restrictions that impact our ability to manufacture certain products to and support certain customers. The risks included above are not exhaustive. For a more detailed description of the risk factors associated with Teradyne, please refer to Teradyne's Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Many of these factors are macroeconomic in nature and are, therefore, beyond Teradyne's control. We caution readers not to place undue reliance on any forward-looking statements included in this presentation which speak only as of the date of this presentation. Teradyne specifically disclaims any obligation to update any forward-looking information contained in this presentation or with respect to the announcements described herein.

Agenda



Greg Smith
Chief Executive Officer



Regan Mills
President
Product Test



Rick Burns
President
Semiconductor Test



Sanjay Mehta
Chief Financial Officer



Ujjwal Kumar
President
Robotics

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ANALYST DAY 2025

2025 and 2026 Guidance Update

- Short term volatility mainly in SemiTest business
 - New uncertainty around tariffs and trade restrictions
 - No cancellations, but some push outs and capital reviews
- No anticipated impact to Q1 guidance
- Q2'2025: anticipate revenue flat to 10% down vs Q1
- 2025 full year
 - Anticipate 5% to 10% growth relative to 2024
- 2026 – unchanged from January
 - Clarification: 2026 revenue and EPS trending toward the low end of the previous 2026 earnings model

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ANALYST DAY 2025

Teradyne: Positioned for Long-term Growth

Leader In Test From the Beginning



Teradyne Innovations shaping today's ATE

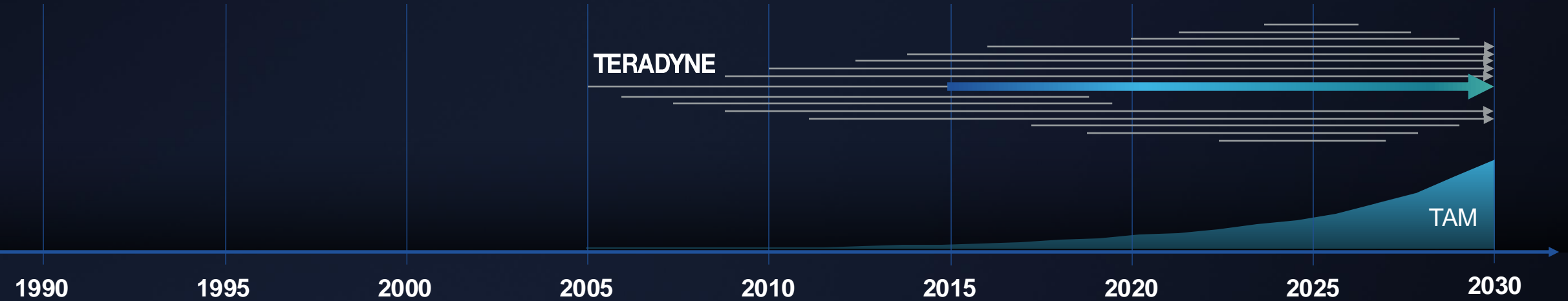
- First** distributed processing architecture for ATE
- First** fully integrated 5G/mmWave test solution
- First** floating resource architecture for power test
- First** near-DUT-test architecture for memory test
- First** massively paralleled, asynchronous SLT

Today's SemiTest Product Lineup

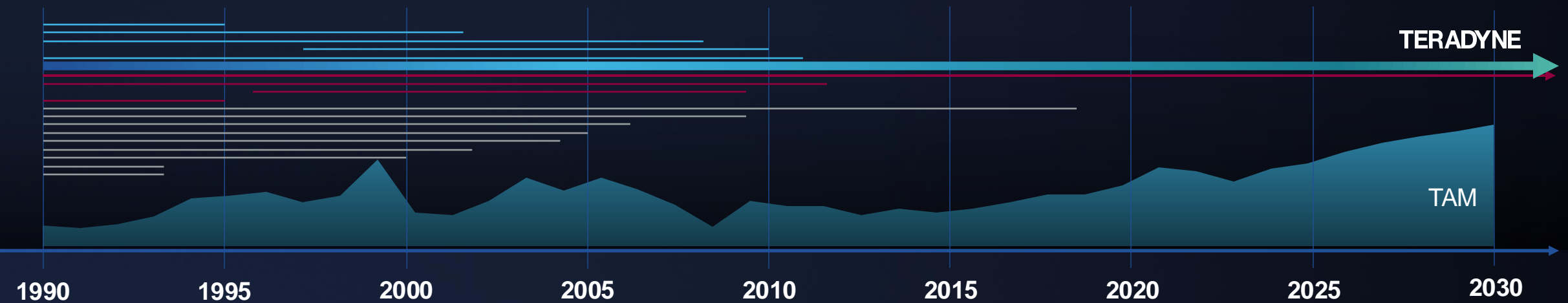


Technology Markets Consolidate as They Mature and Grow

Advanced Robotics



Semiconductor Test Market



Operating Principles for Teradyne Robotics

Focus on sustainable growth and long-term shareholder value



Marathon, Not a Sprint

- Set up to enable sustained profitable growth
- Disciplined, consistent investment in R&D
- Leverage Teradyne core capabilities for cost-effective scaling



Customer Success

- Having the best technology is not enough
- Need 24 / 7 / 365 support for critical applications
- Leverage customer support strategy using SemiTest model



Differentiation

- Use AI, platform and ecosystem to establish competitive moats
- Unique advantage to serve Semi customers and VIPs
- Maintain best in class gross margin



Measures of Success

- Outpace growth of “traditional” automation peers
- 50% leverage from revenue growth to operating margin

Positioning Teradyne for the Future

Acquisition of Quantifi Photonics

**QUANTIFI
PHOTONICS®**



Focused on high volume measurement challenges

Product Test Division



Synergies with SemiTest for VIP customers

Leadership Transition in Semiconductor Test



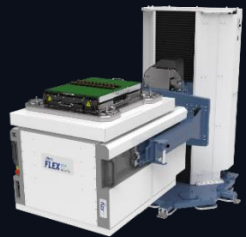
Rick Burns

Shannon Poulin

Leadership transition during Q2

Teradyne: A Leader in Electronics Test and Advanced Automation

Semiconductor Test 75% of 2024 sales



System on Chip



Power



Memory



System Level Test

Robotics 13% of 2024 sales



Cobot



AMR

Product Test 12% of 2024 sales



Wireless Test



Production Board Test



Defense & Aerospace



Teradyne Automation Solutions

Trends Driving Growth



Verticalization



Electrification



Artificial Intelligence



Verticalization



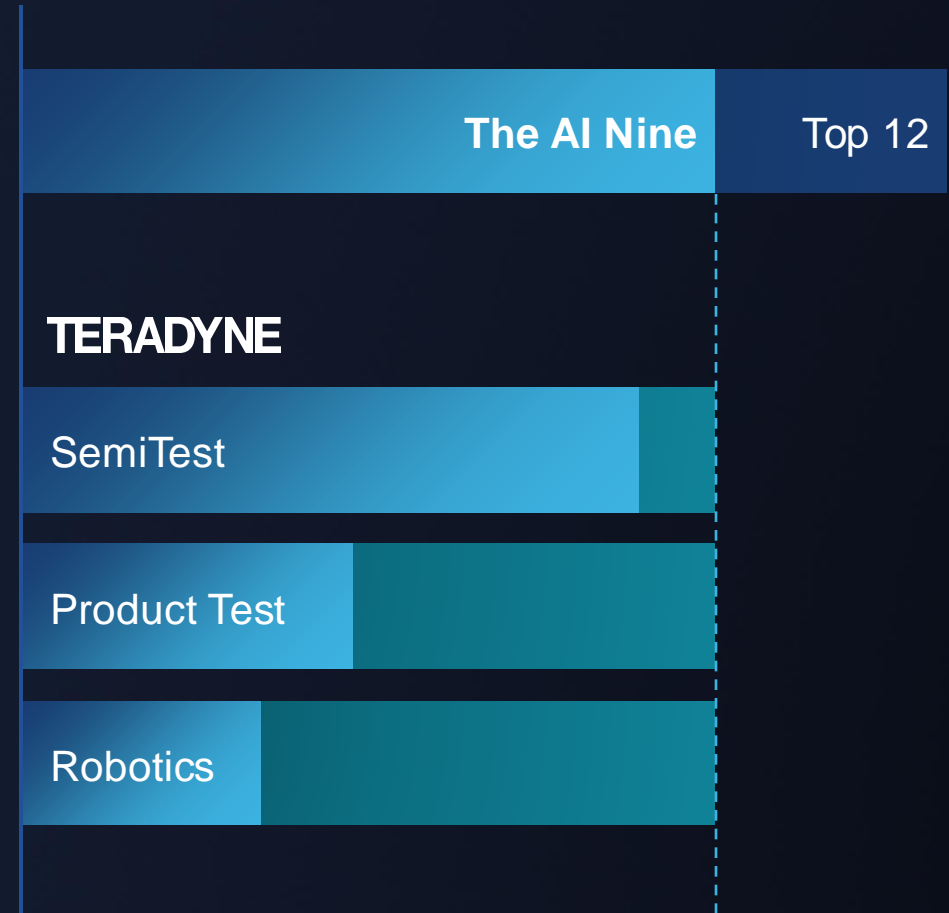
Verticalization: Fastest Growing, Biggest Opportunity

Aligned to Teradyne's portfolio of SemiTest, Product Test, and Advanced Robotics

The Top 12
Enterprise Value ~\$23T



The rest of the S&P 500
Enterprise Value ~\$27T





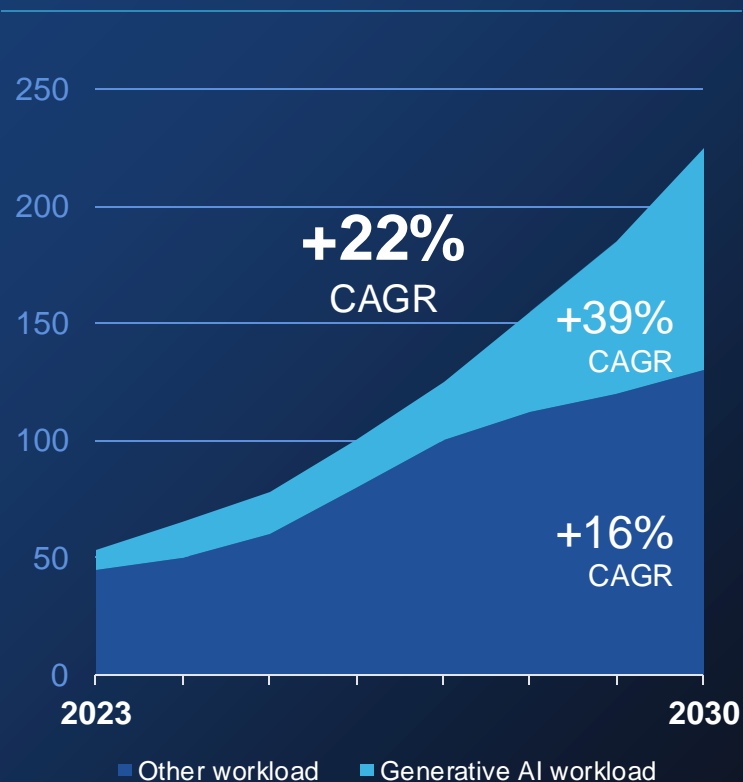
Electrification



Electrification: Data Centers and Electric Vehicles

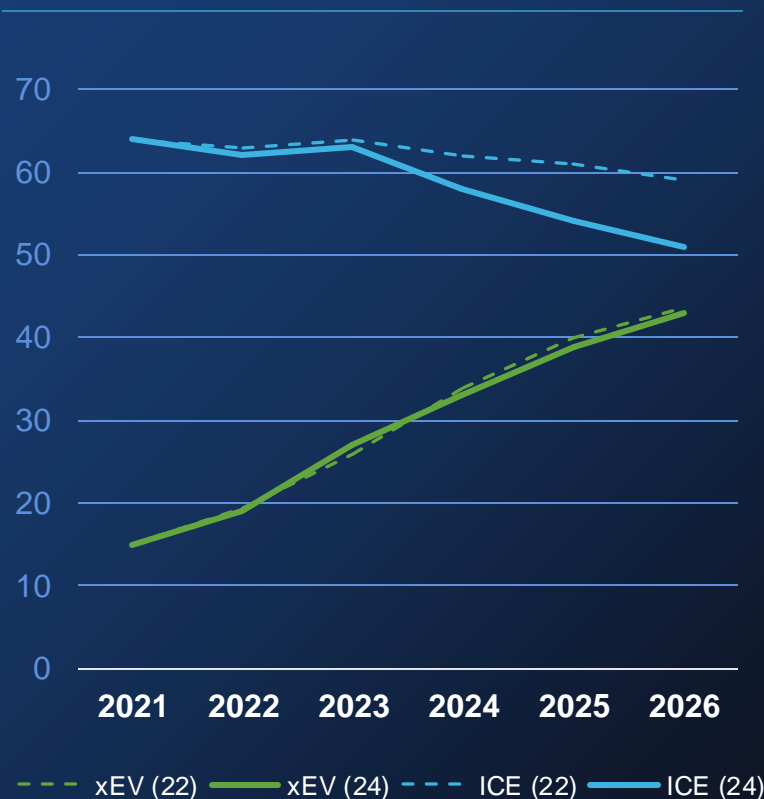
Unique opportunity to gain share in growing disaggregated power and linear test market

Estimated Global Data Center Capacity Demand, gigawatts



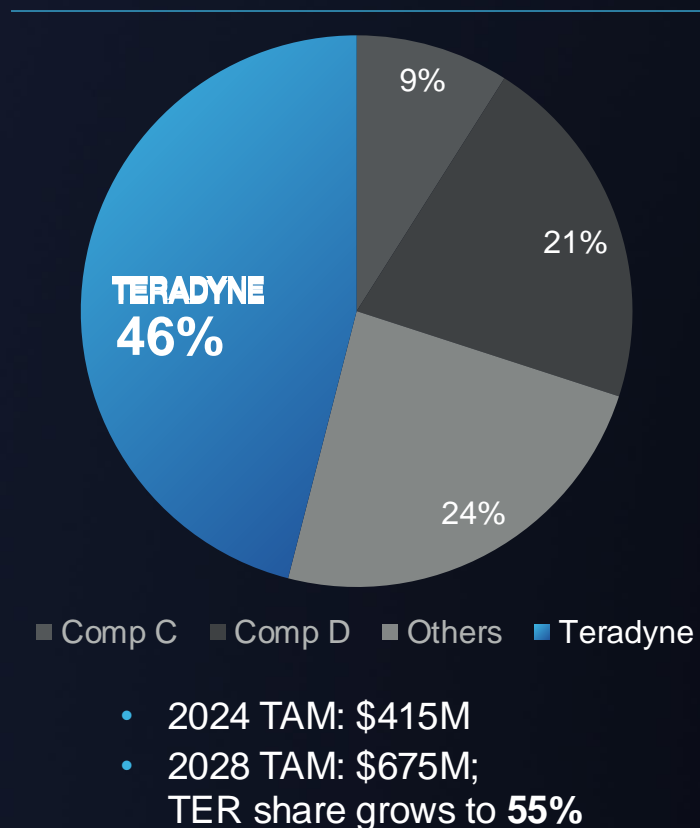
Source: McKinsey & Company

Light Vehicle Forecast Change from 2022 to 2024, units (M)



Source: Omdia

Power / Linear / Discrete 2024 Market Landscape



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Artificial Intelligence

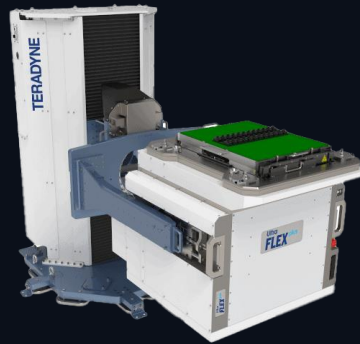
Artificial Intelligence Will Drive Growth & Efficiency Across Teradyne



Test

End Market Demand Driver

- Today: compute, networking, DRAM
- Tomorrow: automotive, mobile, storage



Robotics

SAM Expander

- Smarter mobile robots
- More flexible cobot solutions
- Enabler for mobile cobots



Enterprise

Business Transformer

- Product Development
- Service Delivery
- Internal Process Efficiency



Apple Commits \$500 Billion to AI Race As Some Rivals Slow Down

As Meta builds record-size data centers and Microsoft recalibrates its expansion plans, Apple's latest investment reveals...

BUSINESS INSIDER

Amazon Bets Big on AI With \$100B Planned Capex in 2025

The bustling demand for generative AI chatbots and technology has compelled companies to accelerate investments in AI data centers and infrastructures. Amazon's AI spend is targeted toward...



SoftBank outlines \$500B Stargate project to accelerate AI revolution



Amazon, Microsoft, and Alphabet Bet Big on AI as Data Center Spending Soars

Cloud giants ramp up spending, with Amazon, Microsoft, and Alphabet committing billions to AI-driven data center growth...



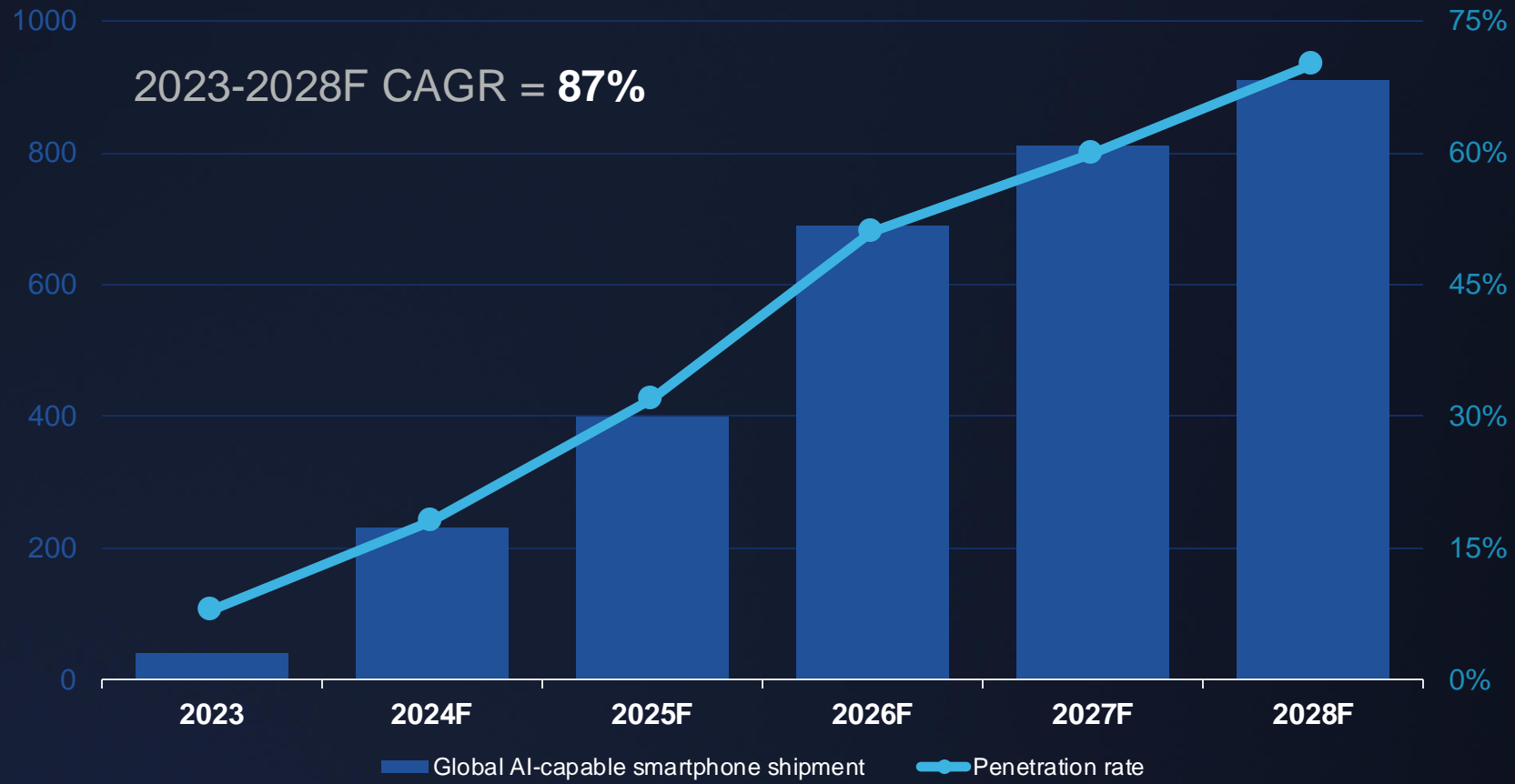
Microsoft's \$80 Billion AI Surge: A Catalyst for Future Tech Growth

OpenAI uses a \$500 billion investment to grow its U.S. data centers, while SoftBank implements a \$25 billion financing process to build its data center expansion. The AI-driven market offers...



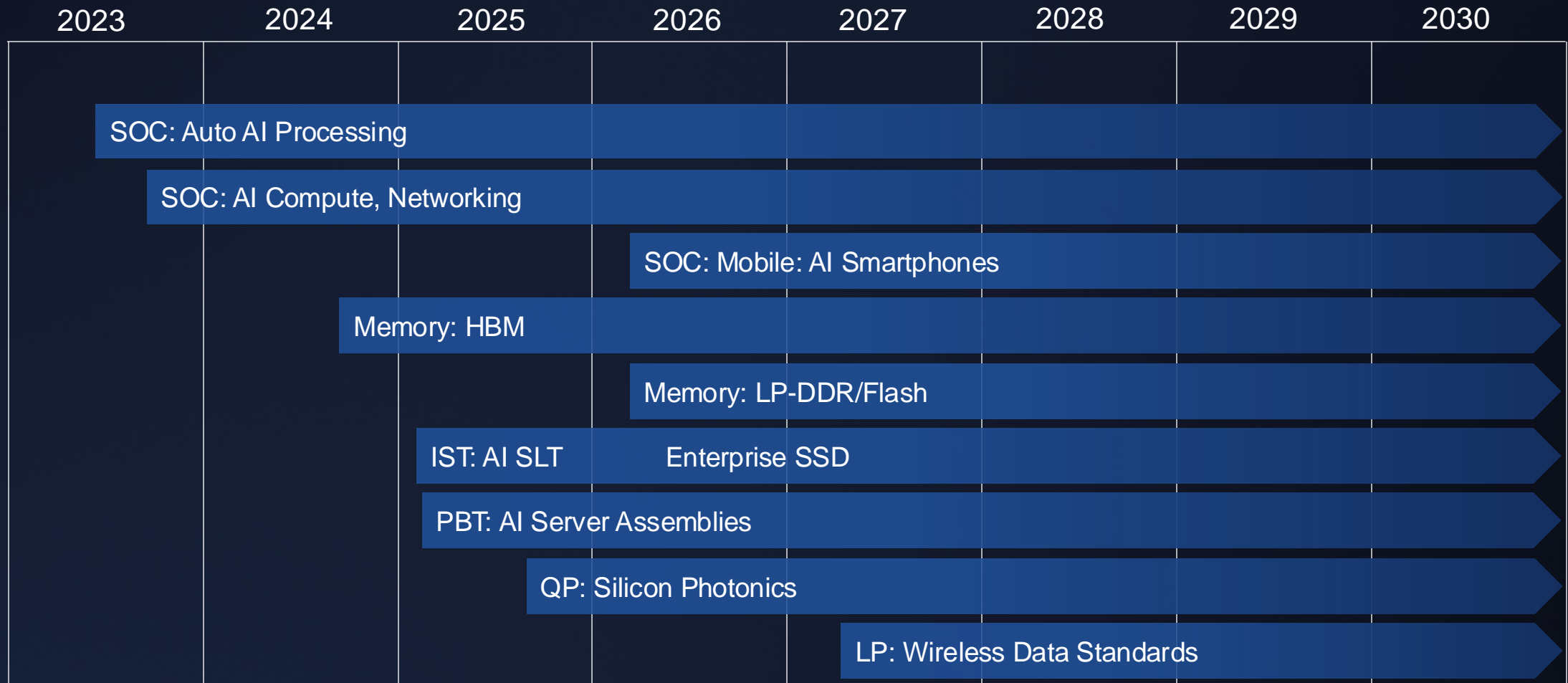
Global Gen AI-capable Smartphone Penetration Rate

Unit m





Impact of AI on Teradyne's Growth





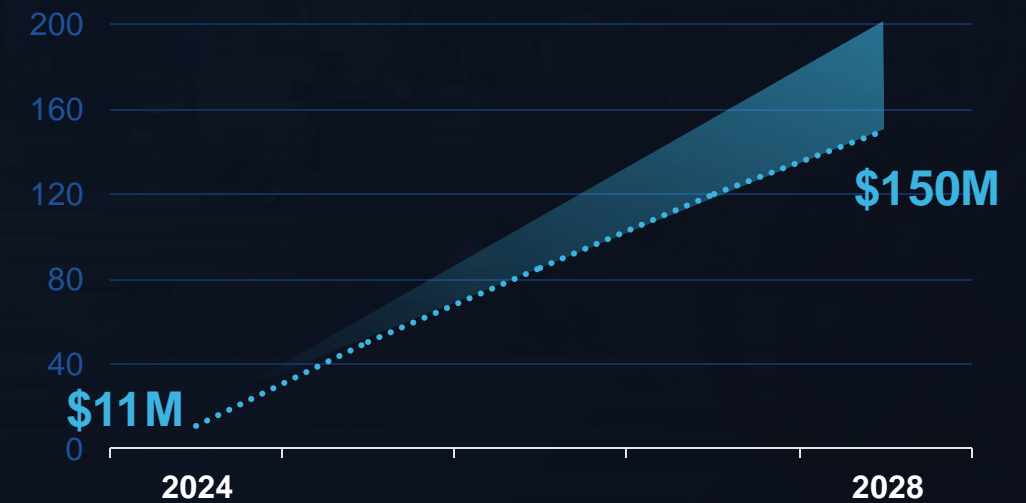
Impact of AI on Robotics

Expands to more complex applications

Improves resilience of automated processes

Simplifies deployment

Revenue from AI-based applications



Teradyne 2028: Balanced, Resilient Growth

Semiconductor Test

Semiconductor Test

74% of 2028E Sales | 83% of 2028E EPS

System on Chip

Power

Memory

System Level Test

Product Test

Product Test

10% of 2028E Sales | 11% of 2028E EPS

Wireless Test

Production Board Test

Defense & Aerospace

Silicon Photonics

Robotics

Robotics

16% of 2028E Sales | 6% of 2028E EPS

Cobot

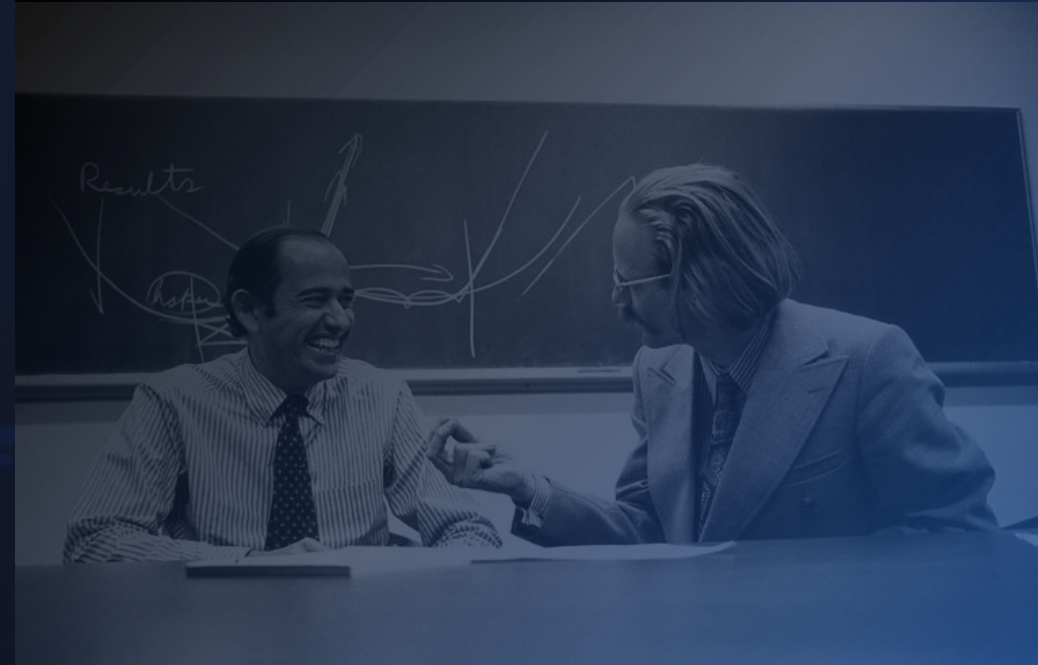
AMR

Teradyne Automation Solutions

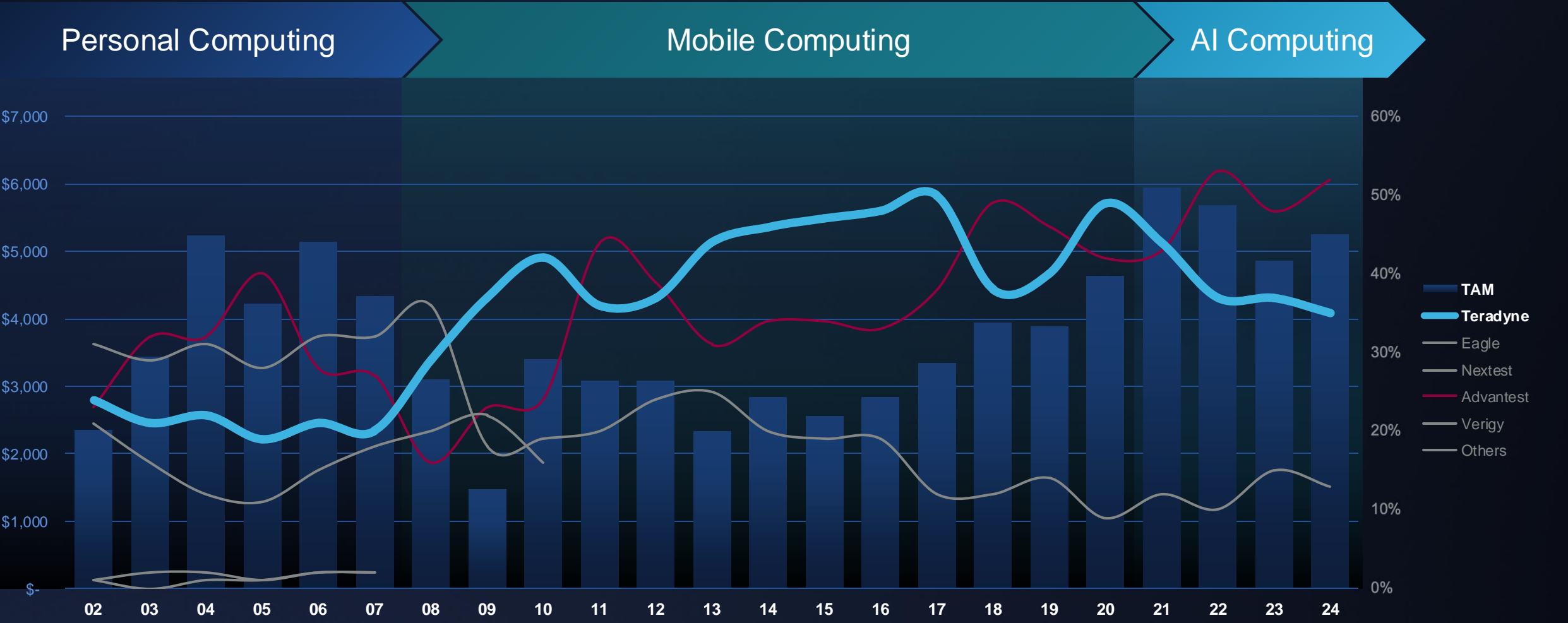
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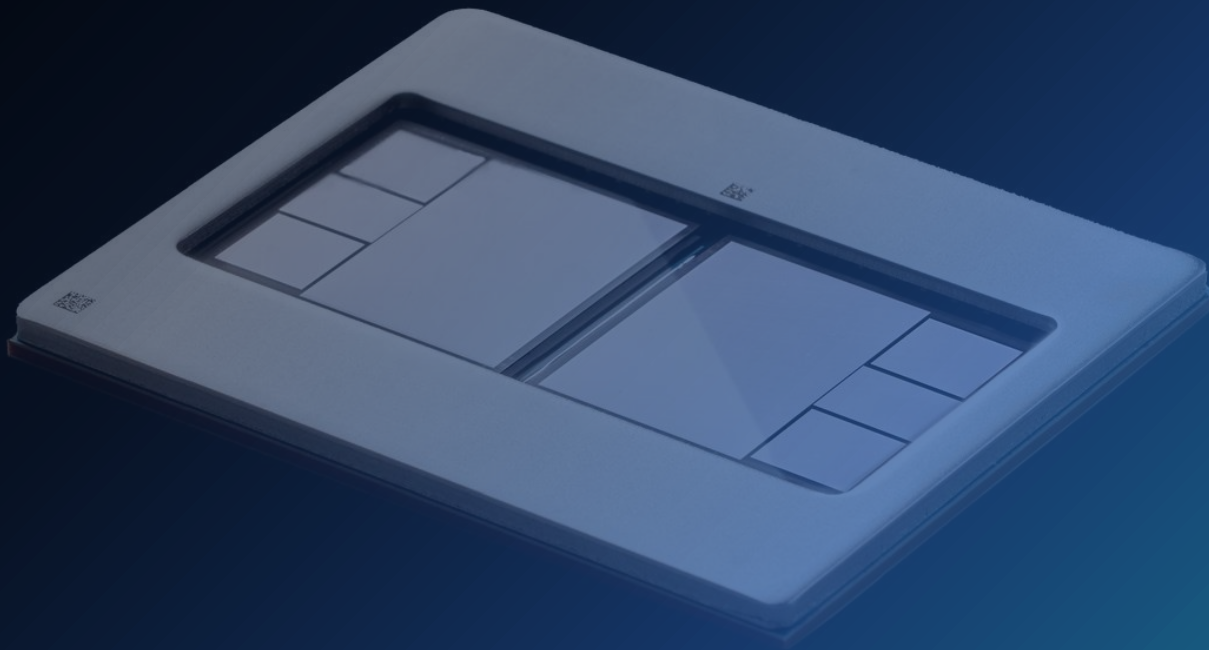
Semiconductor Test Division



Road to Semiconductor Test Industry Duopoly



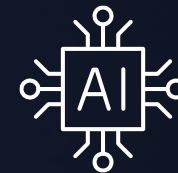
Macro Trends Driving Test Growth



Verticalization



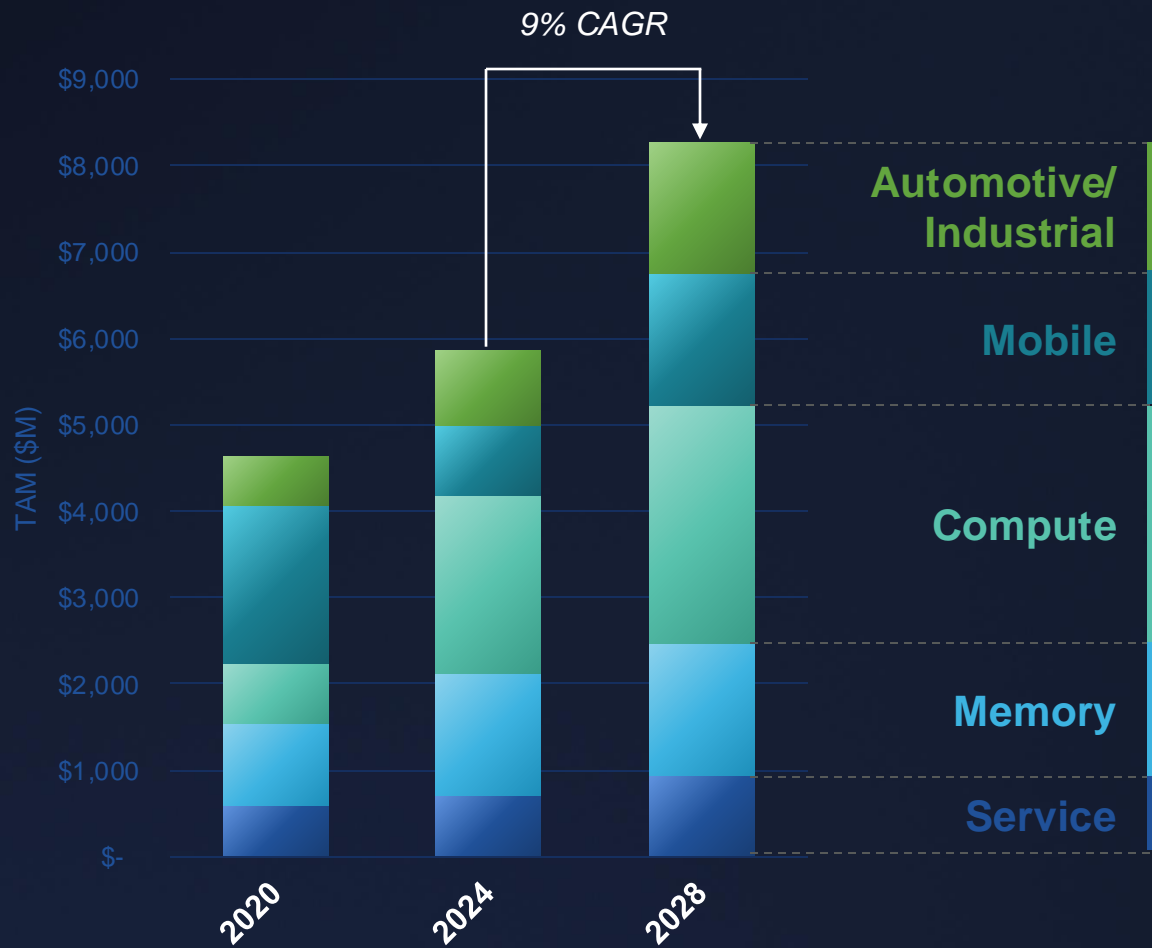
Electrification



**Artificial
Intelligence**

Semiconductor Test Midterm Outlook

ATE TAM History & Forecast



ATE Growth Drivers



AI Cloud Accelerators and Silicon Photonics



AI-featured Smartphones and Accessories



Expanding Automotive Electrification

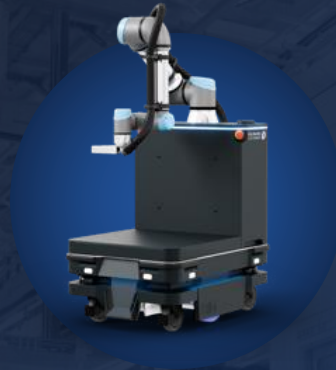
Teradyne Automation Solutions Delivers Copy Exact for Customers

Assisting semiconductor customers with factory automation opens >\$1B TAM

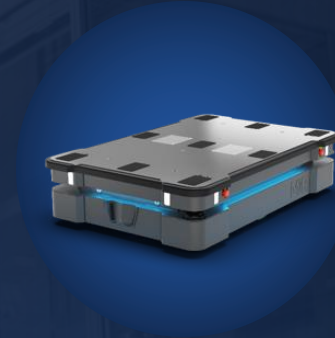
Designed for the Semiconductor Industry

- Increase operational efficiency
- Improve quality and traceability
- Fast deployment
- Easy to repurpose

Applications



Machine Loading

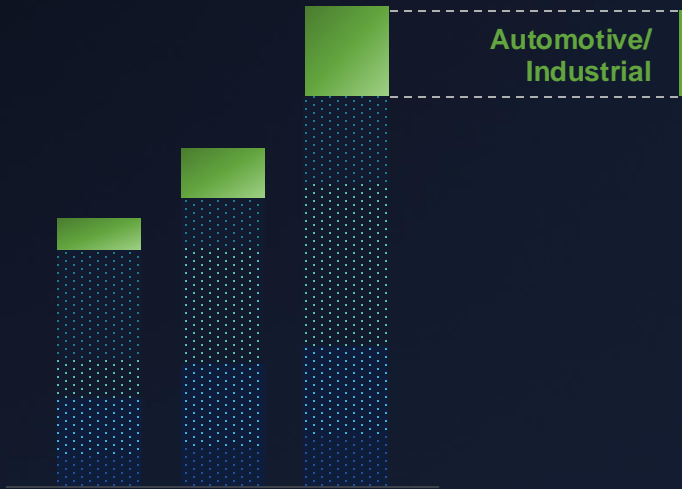


Material Transport



Tool Cobots

Automotive/Industrial Segment Nearly Doubles on Electrification



AI data center power consumption



ADAS and autonomous driving



Wide bandgap technologies



Industrial infrastructure

ETS-800 automotive/power test platforms

Highly scalable platform

Comprehensive power device coverage

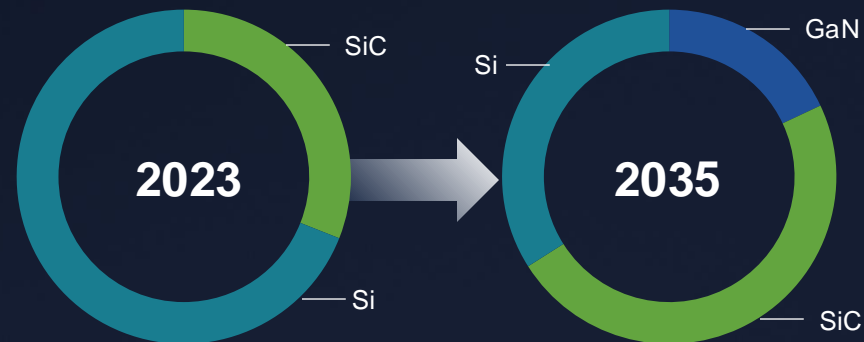
Cutting-edge wide bandgap testing

Architected for automotive quality



Infineon Partnership Solidifies Teradyne's Market Leadership

Wide bandgap demand in EV market

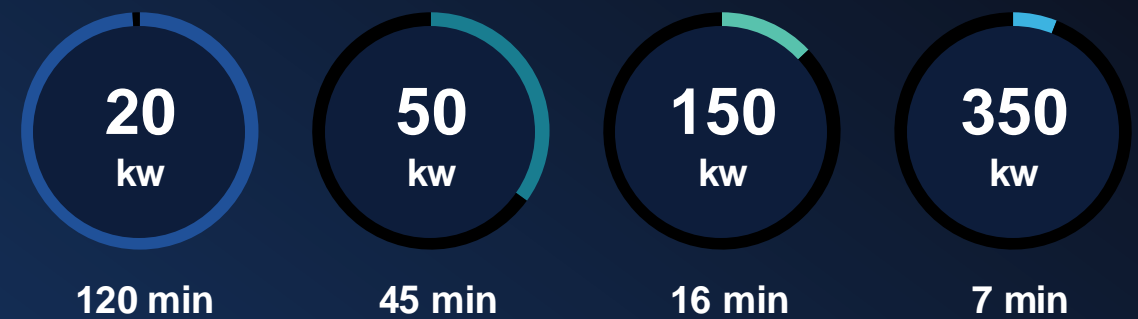


Source: IDTechEx Research

...expected to **increase ~2.5x by 2035**

High voltage charging and reduced charge times

Source: Yole Intelligence



Battery range increases

Source: Infineon

800V-based systems



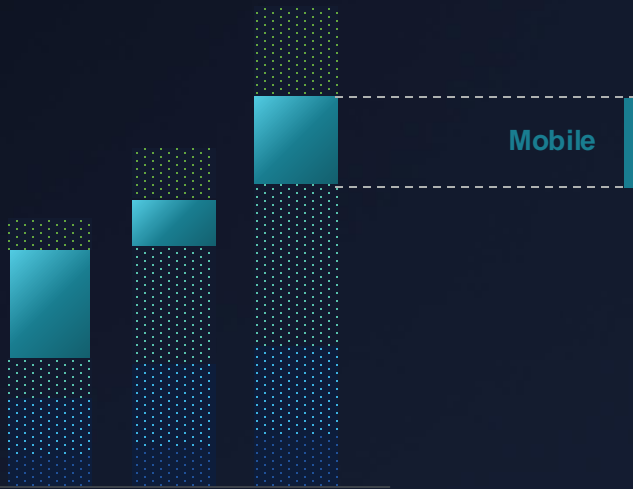


“Teradyne is a strategic partner to Infineon to advance power semiconductor test capabilities.

Together, we are addressing the dynamic test challenges in new technologies like silicon carbide and gallium nitride at the scale and flexibility needed by our markets and customers.”

Dr. Rutger Wijburg
Chief Operations Officer
Infineon

Mobile Segment Recovers with AI Functionality



Edge AI for mobile AP



Extended battery life



Next generation connectivity



Small displays

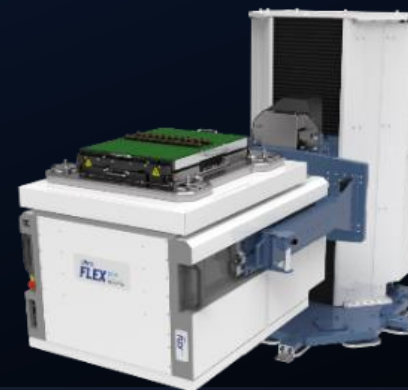
UltraFLEXplus ATE and Titan SLT platforms

Comprehensive test coverage

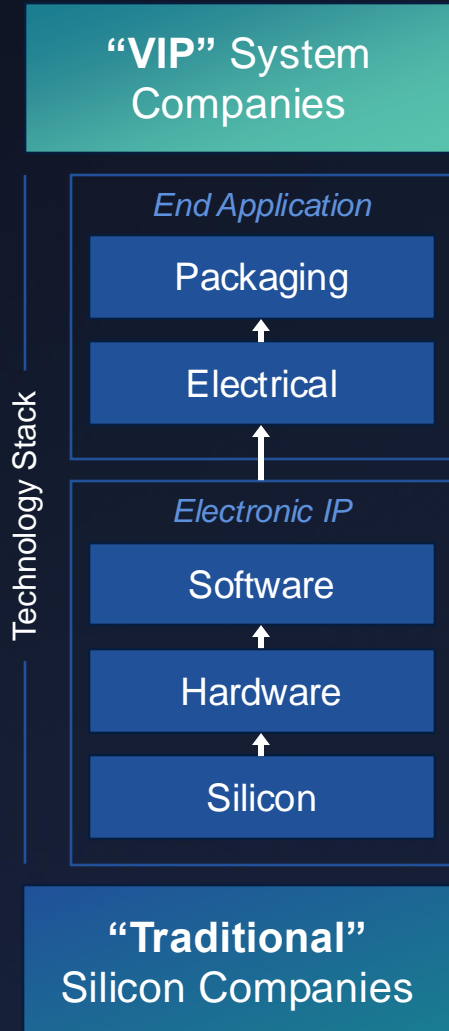
Performance RF testing

Highly optimized test flows

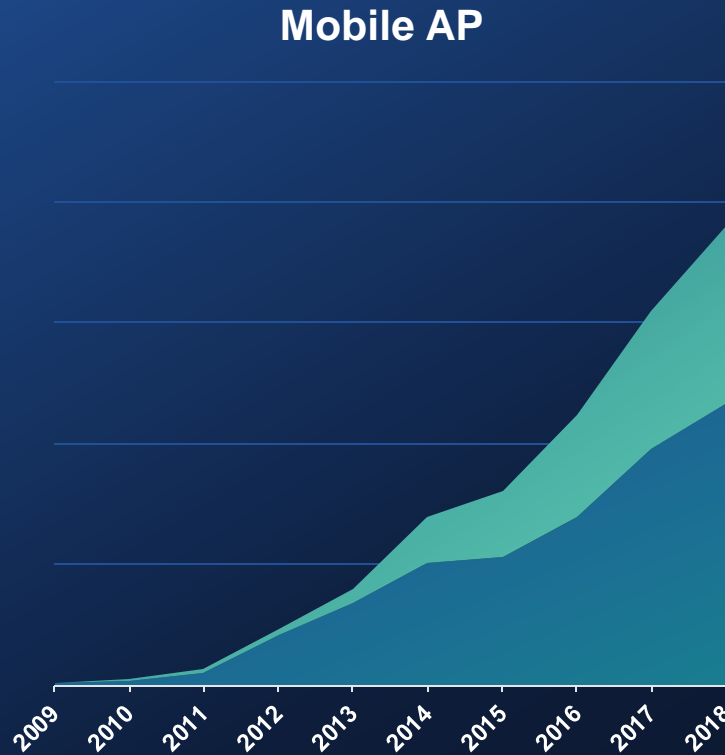
Massive parallel SLT



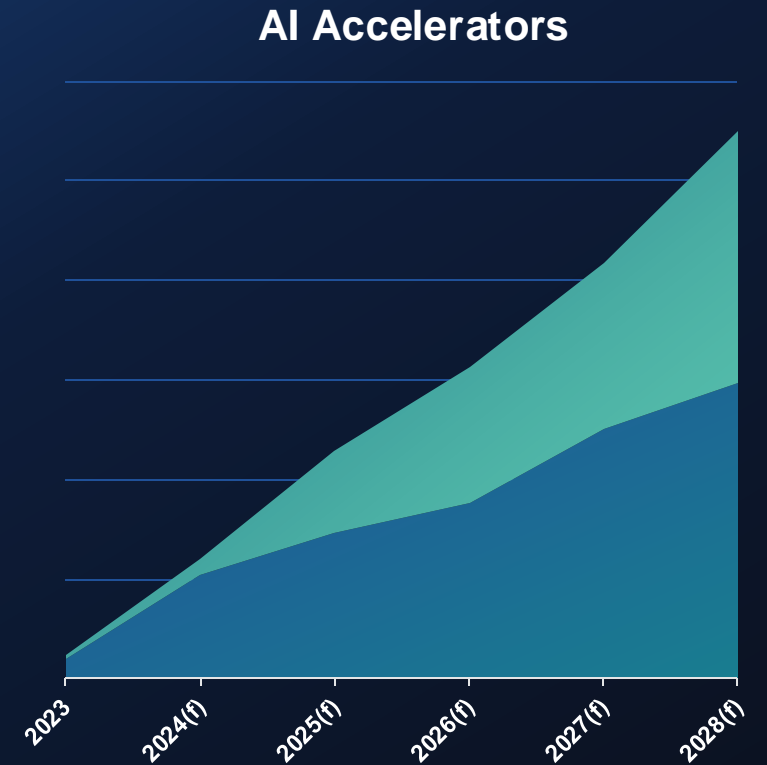
How VIP Companies Differentiate in the Market



Transistor Shipments

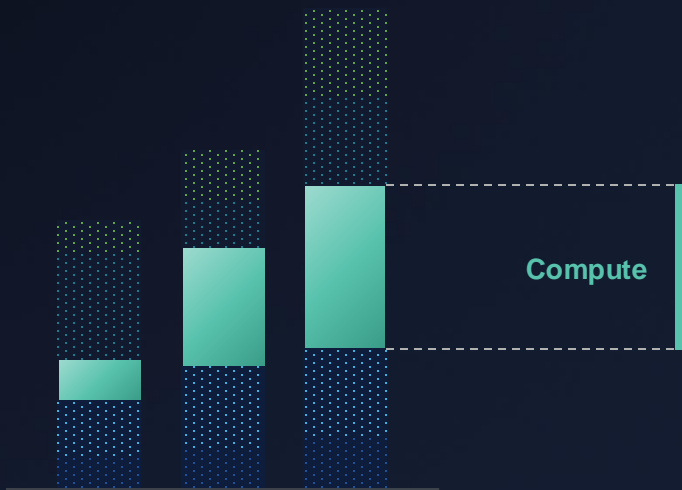


Sources: Omdia AMFT Shipments, Chipworks teardowns, Teradyne estimates



Sources: Omdia AMFT Forecast, Company earnings releases, Teradyne estimates

Compute Segment Brings New Opportunities



AI accelerator and GPU complexity



Networking bandwidth for AI datacenters



Silicon photonics and co-packaged optics



Power efficiency and yield improvements

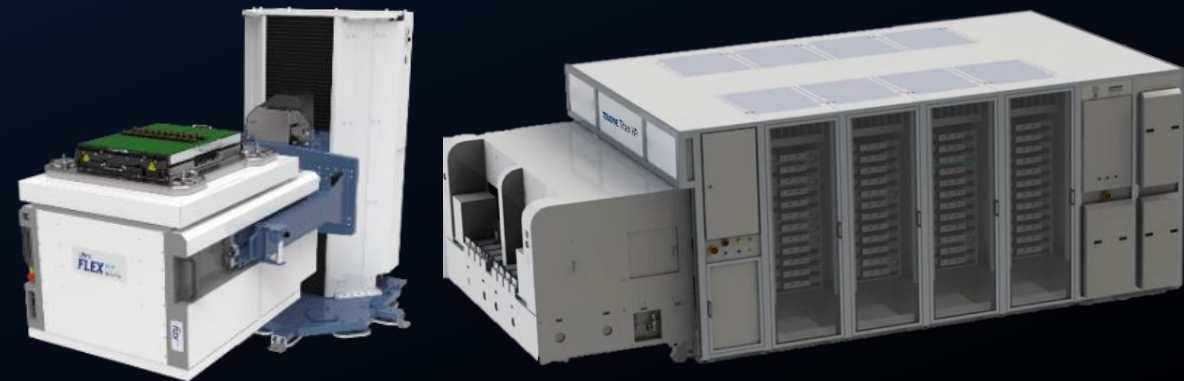
UltraFLEXplus ATE and Titan HP SLT test platforms

High-performance testing

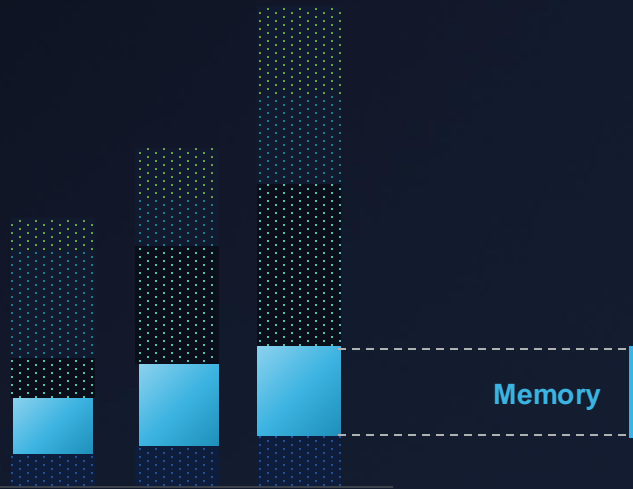
Scalable ATE architecture

Comprehensive silicon photonics and CPO solutions

High power SLT with active thermal control



Memory Segment Share Gain Continues into DRAM



Higher speed and power HBM



Expanded flash demand



xDDR performance improvements



Large annual infrastructure investments

Magnum is the industry de facto standard

Single platform for entire memory segment

Near-DUT-test architecture

Fastest time-to-market

ASIC-based instruments

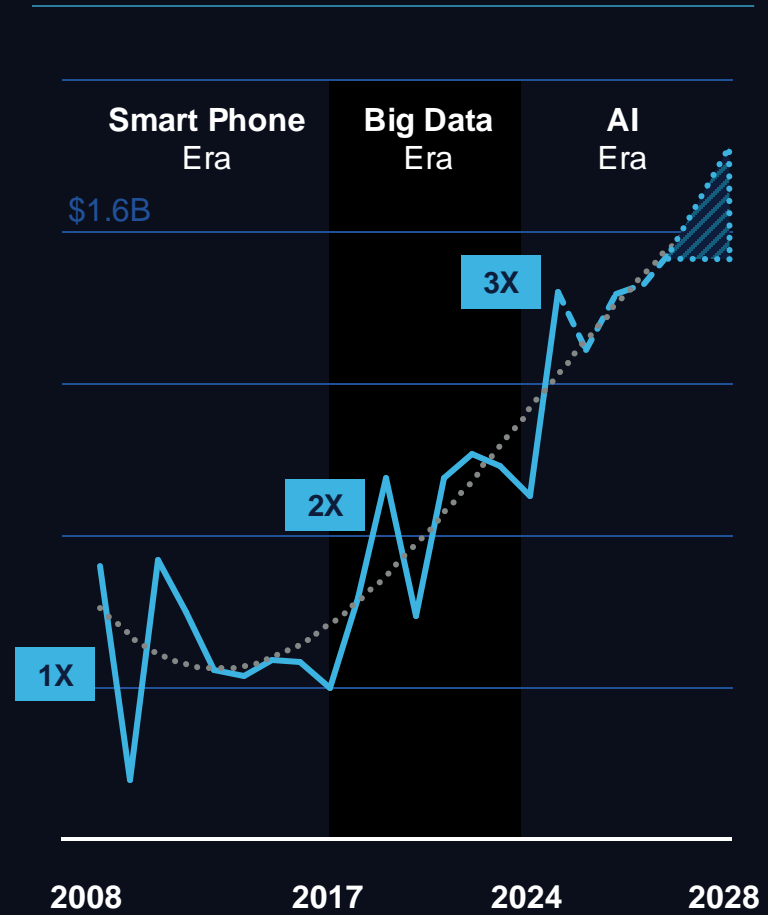


Teradyne Memory Story

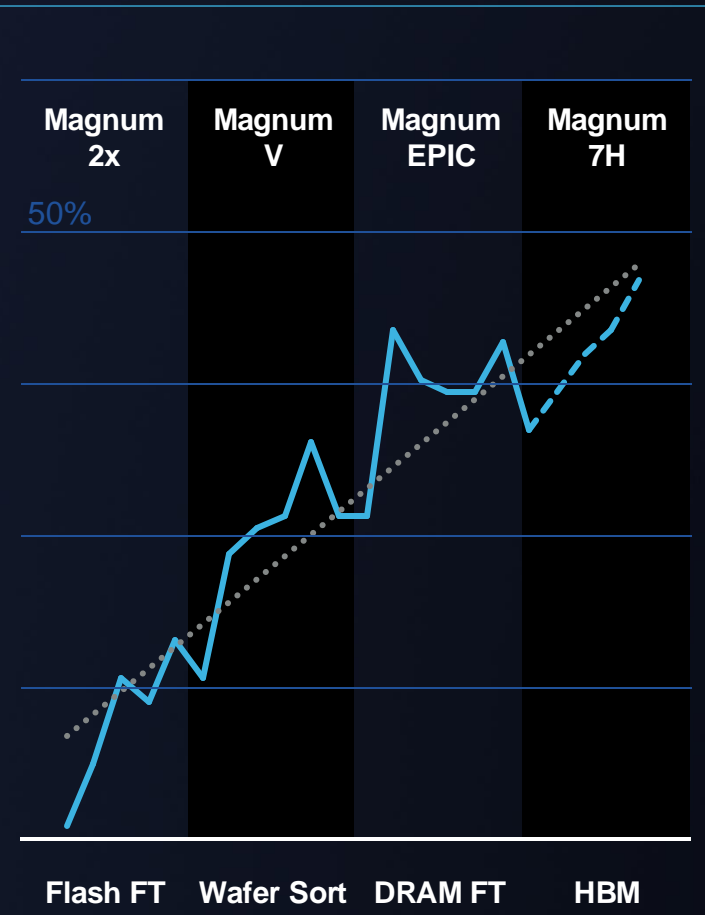
Memory Revenue



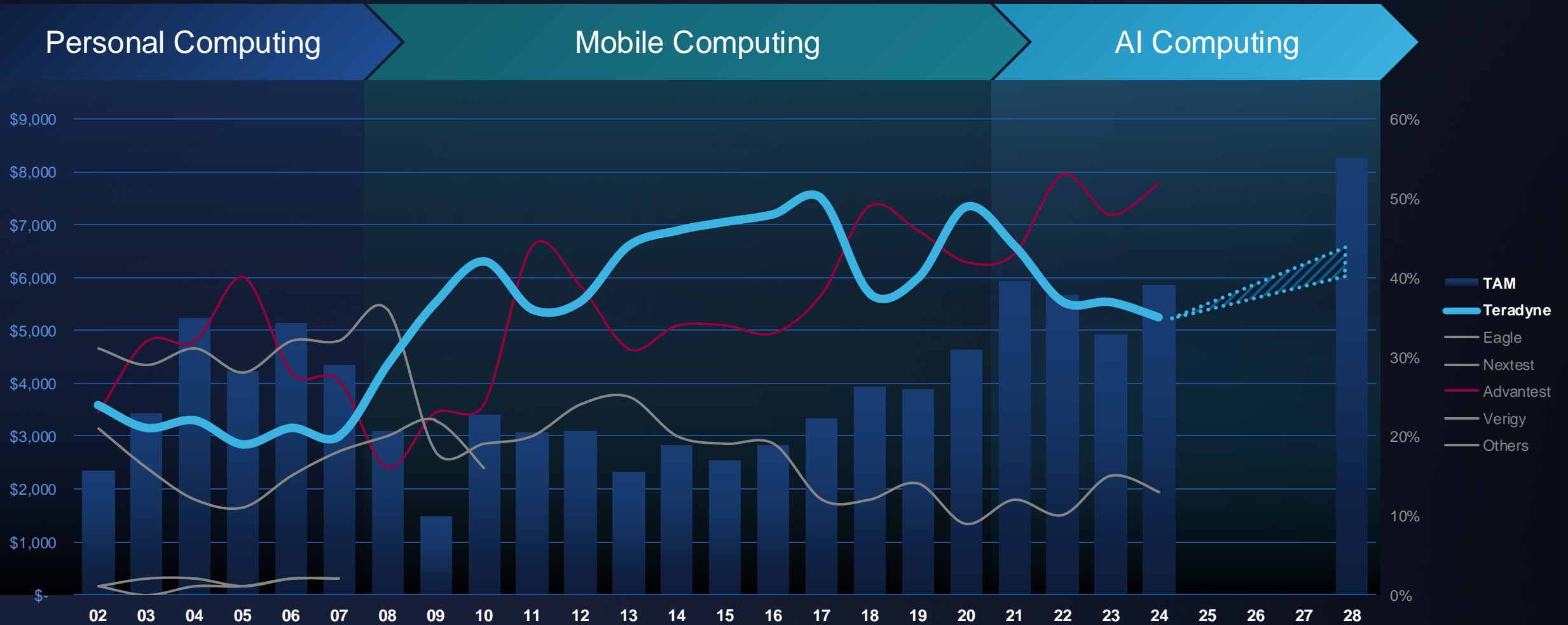
Memory ATE TAM



Memory Market Share



Teradyne's Strengths Will Win the Semiconductor ATE Market Battle



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Teradyne Robotics

Large Opportunity to Replace the “Old Way” of Working, and Address Increasing Labor Shortages

~\$220B

Advanced Robotics TAM by 2033
(including integrated AI)

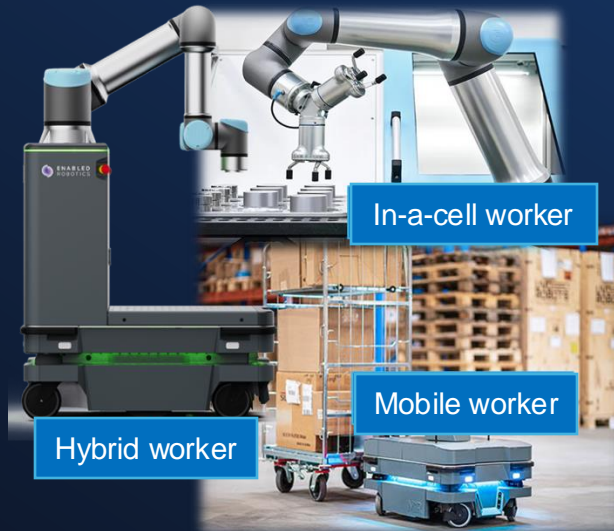


Teradyne Robotics: The Advanced Robotics Global Market Leader

Leading AI-powered robotics platform for enabling start-up innovation at global scale

Production-grade Advanced Robotics

- Software & AI driven, advanced mechatronics
- Targeted on applications with mid/high mix



Leading platform for AI solutions in Cobots

MiR

Top AMR platform for large fleets

Best-in-class in

Customer Experience

Easiest to buy, deploy and operate

Total Cost of Ownership

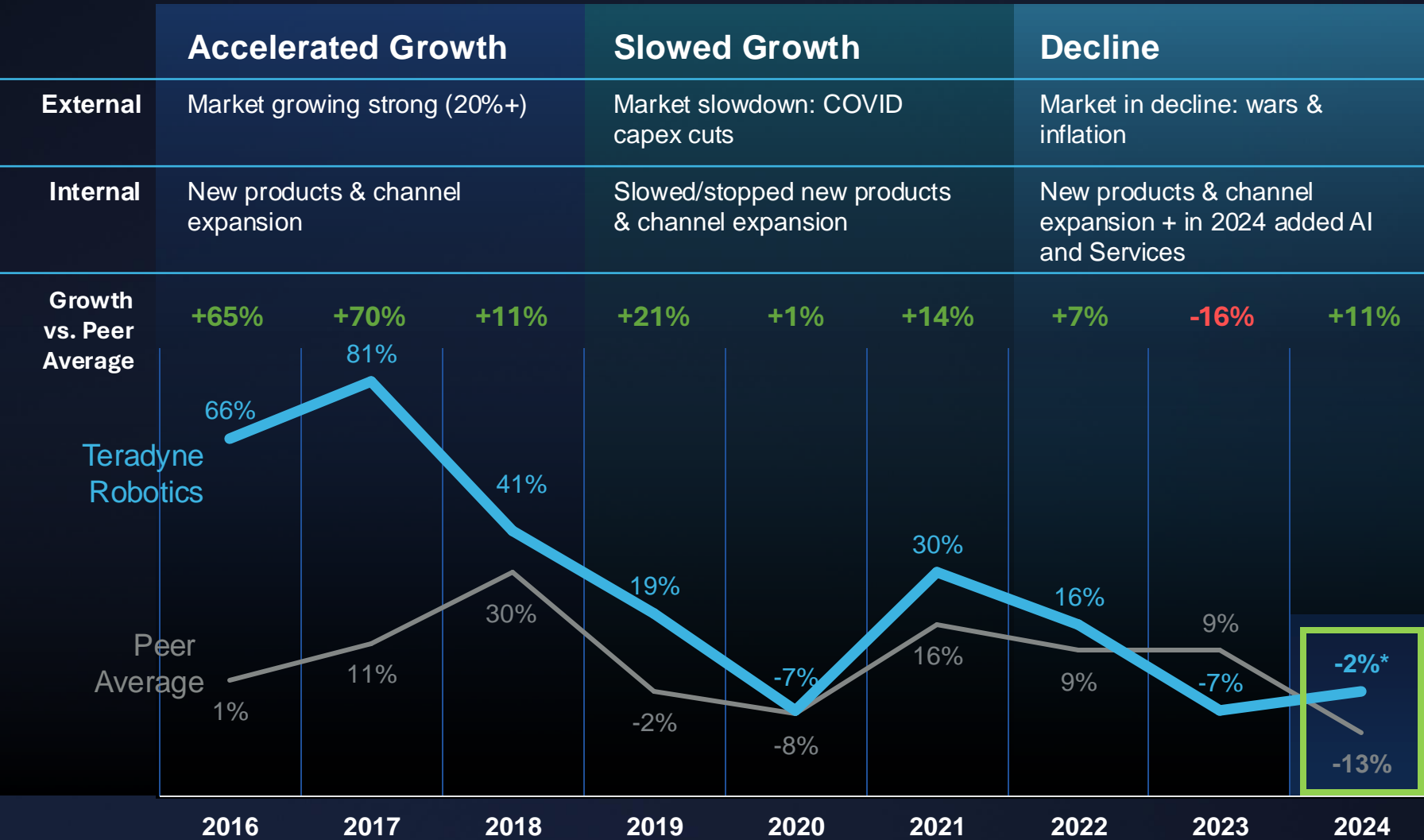
Most reliable & scalable platform with largest ecosystem

Advanced Robotics Technology

Future-proof tech powered by robust financial foundation

Year-Over-Year Teradyne Robotics vs. Peers Revenue Performance

In constant currency










Company	2024
Fanuc Robotics	-19%
ABB Robotics	-11%
Rockwell Automation	-11%
Omron Industrial Automation	-20%
Doosan	-10%
Yaskawa	-1%
Peer Average	-13%
Teradyne Robotics	-2%

*Teradyne Robotics 2024 reported revenue year-over-year: -3%

Record Number of New Product Introductions in 2024

Enabled SAM expansion into new applications and new end-markets

SAM Expansion

<p>MiR1200 Pallet Jack AI-Powered Pallet Detection</p>  <p>Launched MAR Shipping DEC</p>	<p>MC250 Mobile Cobot</p>  <p>Launched APR Shipped APR</p>	<p>UR20 UR30 Cleanroom Class 4</p>  <p>Launched JUN Shipped SEP</p>	<p>Deckload MiR600 ESD Anti-Static version for Clean Rooms</p>  <p>Launched SEP Shipped SEP</p>	<p>UR20 & UR30 Extra 5kg Capacity</p>  <p>Launched OCT Shipped OCT</p>	<p>MC600 Mobile Cobot</p>  <p>Launched NOV Shipped NOV</p>	<p>UR7e & UR12e C4C Cobots</p>  <p>Launched NOV Shipping JAN '25</p>
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Services & Software

<p>Application Support Fixed App Support Package</p>  <p>Launched FEB Released FEB</p>	<p>MiR Service Service Level Agreements</p>  <p>Launched APR Released APR</p>	<p>UR Care Services Large Accounts</p>  <p>Launched APR Released MAY</p>	<p>Developer Suite Dev Software</p>  <p>Launched JUL Released JUL</p>	<p>MiR Fleet Enterprise New Fleet OS</p>  <p>Launched OCT Shipped OCT</p>	<p>PolyScopeX New Cobot OS</p>  <p>Launched NOV Shipping DEC</p>	<p>MiR Insights AI-Powered Insights 2.0</p>  <p>Launched NOV Shipping Q1'25</p>
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Platform & Ecosystem

<p>MotionPlus Welding Positioners</p>  <p>Launched APR Shipped APR</p>	<p>Strategic Partner Work SRCI for Siemens & Safety API for Sick</p> <p>Launched APR Released SEP</p>	<p>UR20 UR30 OEM AC & DC cTUV & KCs</p>  <p>Launched Q1&Q2 Shipped Q1&Q2</p>	<p>MiR Academy Global In-Person Technical Training Program</p>  <p>Launched JUL Released JUL</p>	<p>AI Accelerator Ready-to-deploy AI for UR Cobots</p>  <p>Launched OCT Shipping Q4'24</p>	<p>40m Cables Extra Long Cables</p>  <p>Launched DEC</p>	<p>New Feature Narrow aisle manoeuvring</p>  <p>Target Launch Q1'25 Release Q1'25</p>
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UR Launches

MiR Launches

2025 Plans

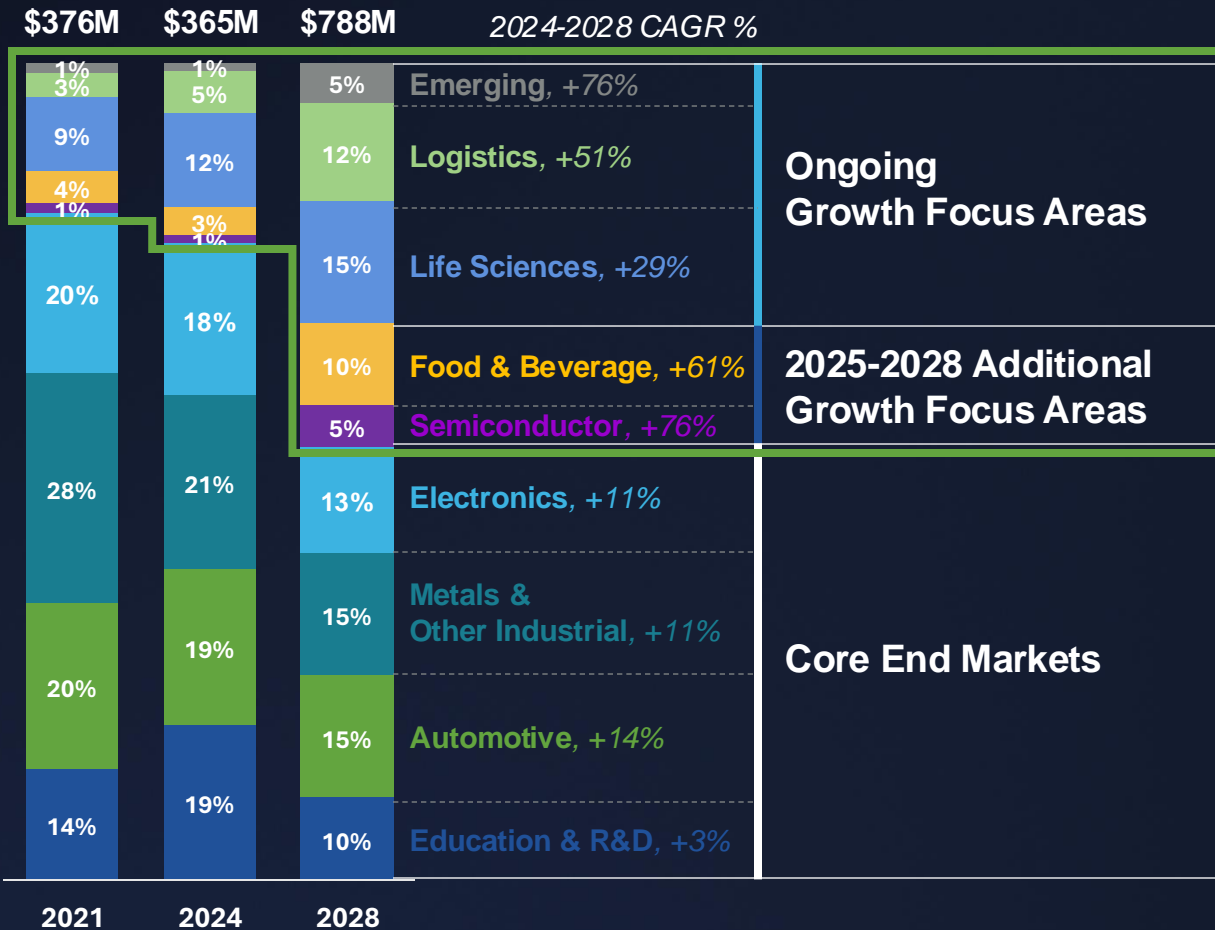
New cobots for growth segments like logistics, semiconductors and food & beverage.
UR platform upgrades.

Expand Pallet Jack into new applications and geographies.

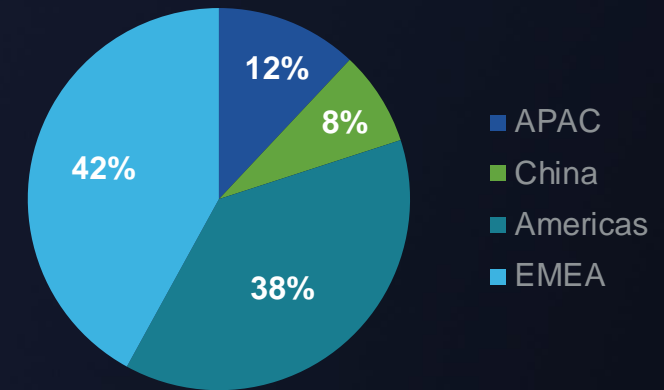
AI-powered, cloud-enabled Insights and enhanced MiR navigation.

Teradyne Robotics End Markets and Regional Diversity

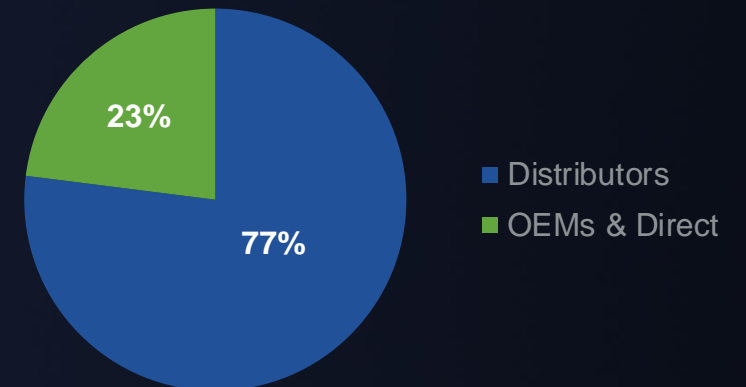
Robotics Split by End-Market, \$M



Robotics 2024 Split by Region, \$M



Robotics 2024 Split by Channel, \$M

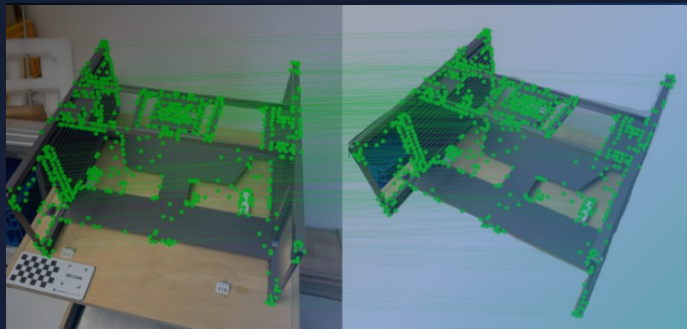


2025 Strategy: Continue Market Outperformance Through Expansion into New Segments, While Restructuring for Long-term Business Resilience

1. Maintain momentum on new products, and channel transformation

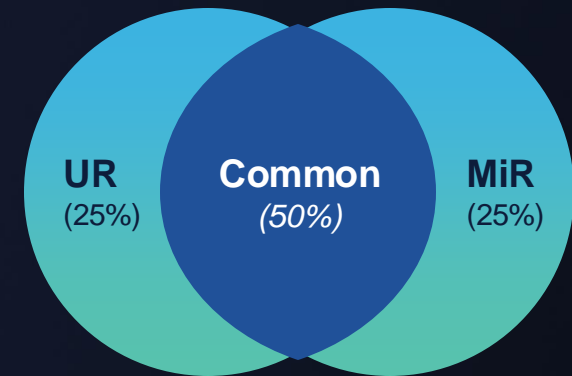


2. Invest in AI & new segments

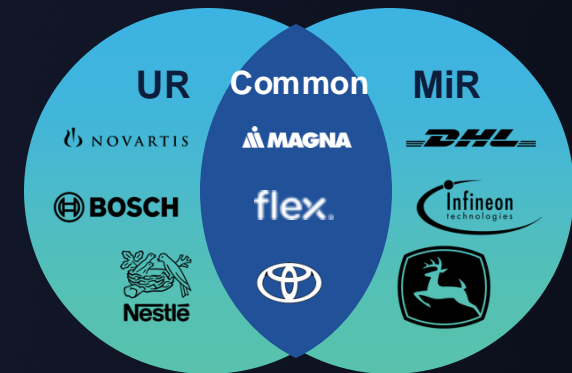


3. Consolidate Sales, Marketing & Services to improve commercial effectiveness

Revenue from partners



Top 20 Customers



World's Leading Open and Scalable Advanced Robotics Platform



UR+

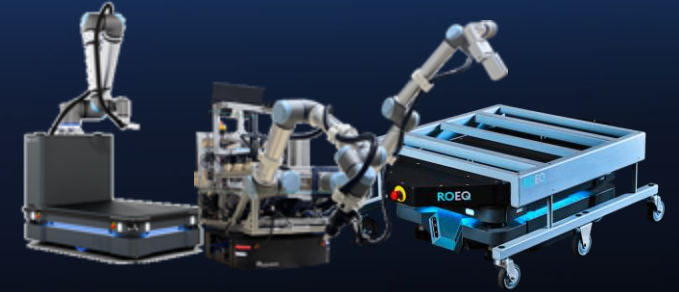
300+ Partners
500+ Applications
400+ SIs
200+ OEMs

MiR Go

60+ Partners
150+ Applications
50+ SIs
4 OEMs

Ecosystem

Integrated | Streamlined | Solution-focused



PolyScope X

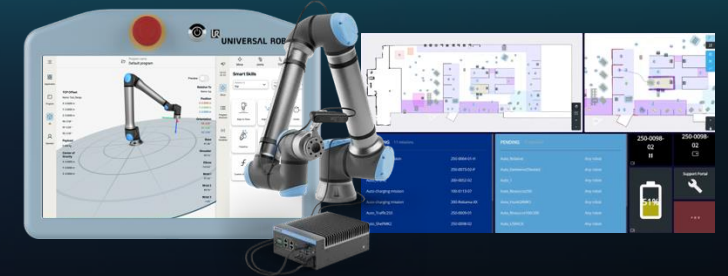
Intuitive
AI-powered
Advanced motion

MiR Fleet Enterprise

100+ robots
Advanced traffic
ERP/WMS integration

Software

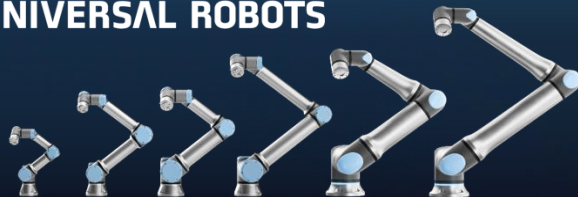
Open & Scalable | Cybersecure | Enterprise-ready



100,000 Cobots shipped



UNIVERSAL ROBOTS



Hardware

Standard | Intelligent | Reliable

11,000 MT AMRs shipped

MiR



Growth Segments Strategy

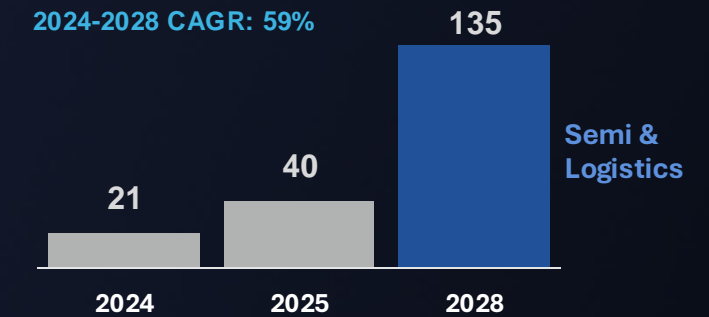
Growth Segments Selection Criteria

1. **Faster growth than core**
2. **Long-term labor shortages**
3. **Leverages our core strength**
in AI, ecosystem, partnerships and services
4. **\$50M+ annual revenue in 4 years**

Platform Approach for Faster Growth Segments Expansion

- **Products:** quick derivative of existing UR and MiR hardware platform
- **Software & AI:** application-specific capabilities on scalable and open software architecture
- **Go-to-market:** segment-focused application and business development talent added to well-covered regional commercial structure

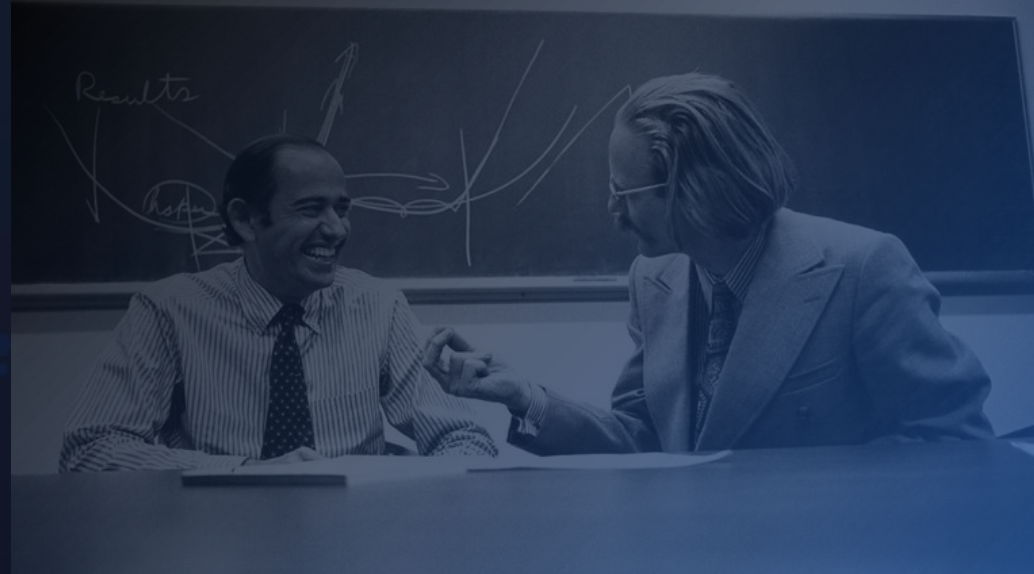
Revenue Growth in Two Select Growth Segments



TERADYNE

ANALYST DAY 2025

Product Test Division



Product Test – Ensuring System Quality In an AI World

Cloud AI Infrastructure

\$300B¹

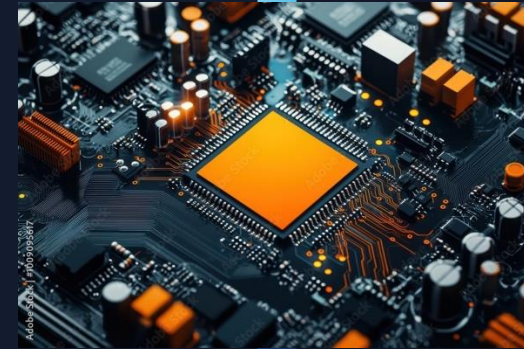
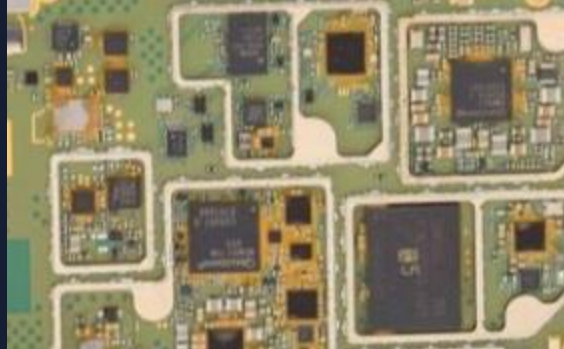
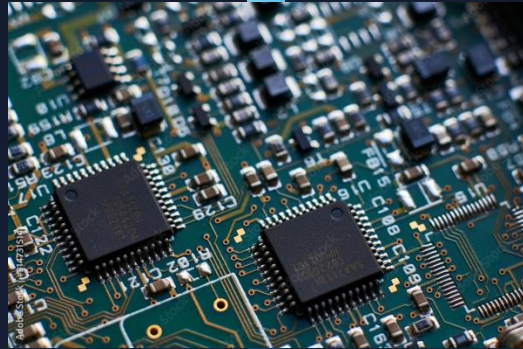


Edge AI Applications

\$550B²



\$280B³



Product Test Solutions



Custom Semiconductor Design

Silicon Photonics and CPO Drive Huge Benefits for AI Data Centers

SiPho for Data Centers

Up to **30%**

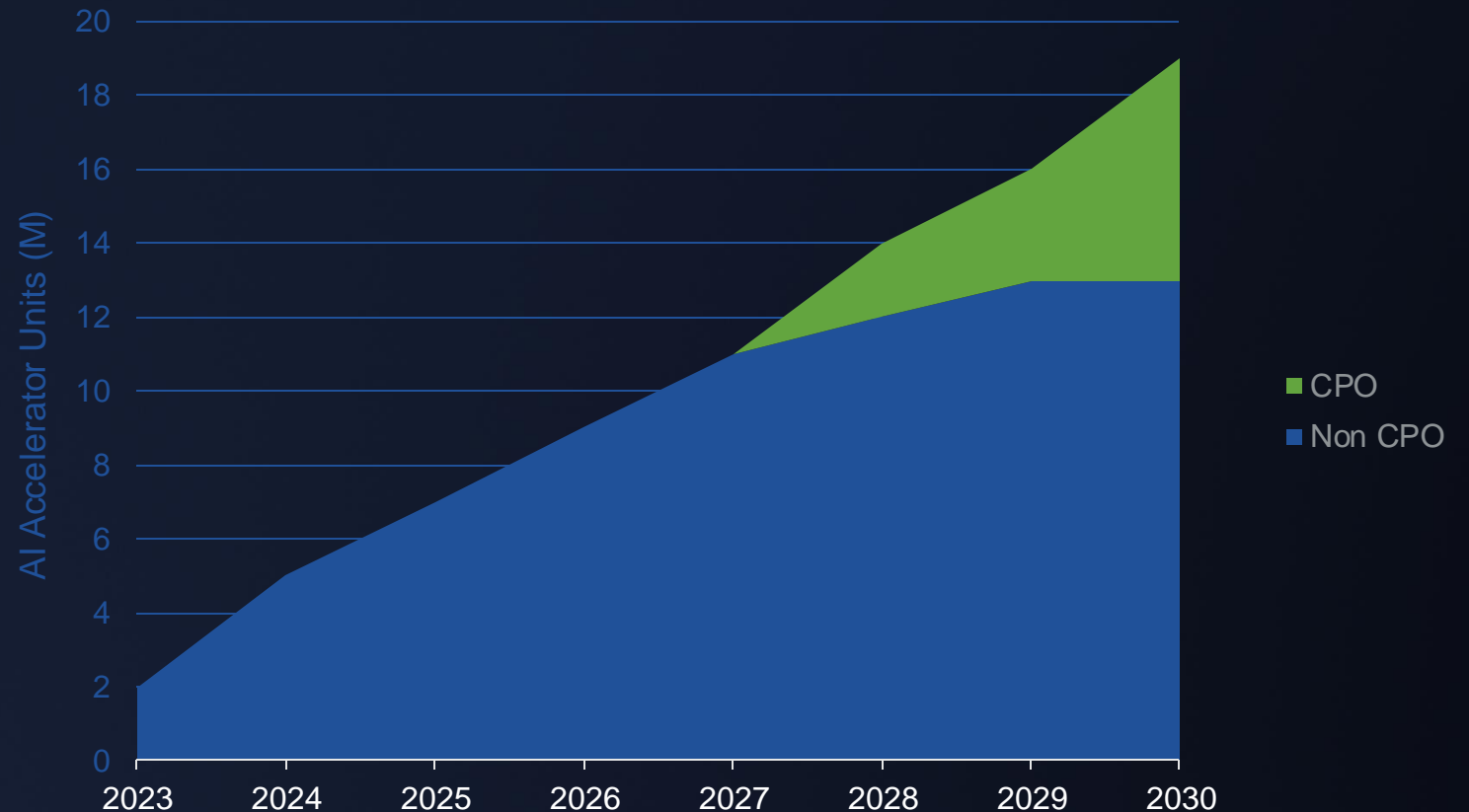
Reduction in overall data center energy consumption ¹

10x

Potential increase in overall data center bandwidth ²

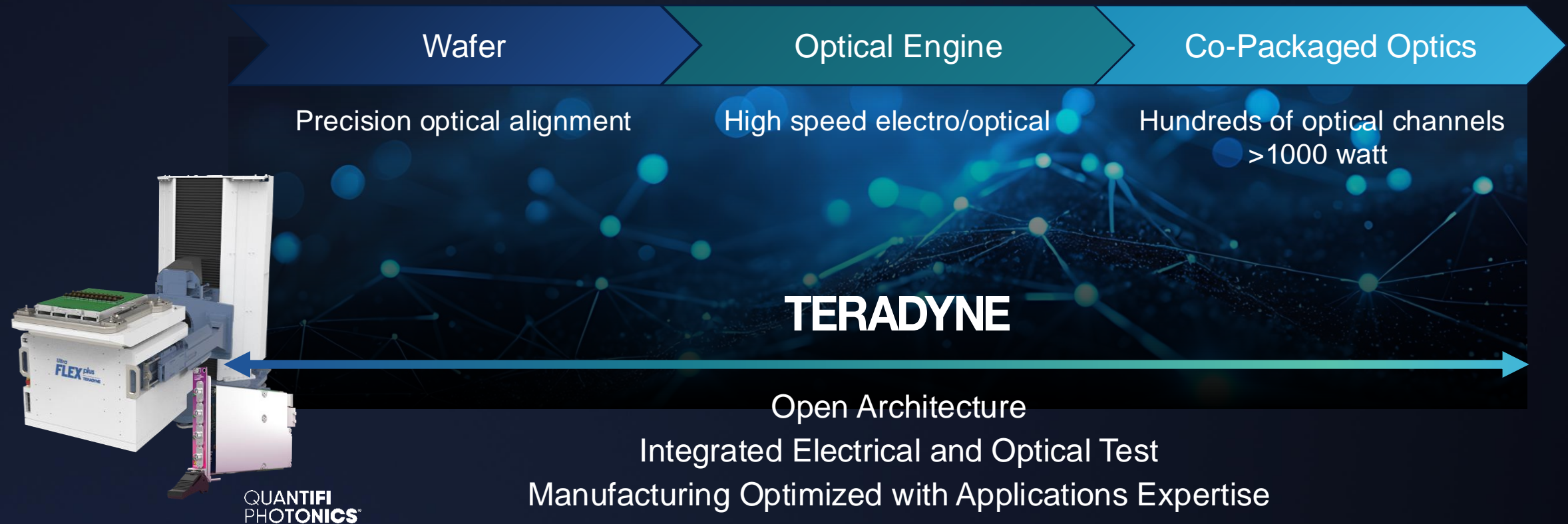
1. Source: Digital Insights
2. Source: IMEC

AI Accelerator CPO Transition Scenario



Sources: Omdia, Teradyne estimates

Scaling Silicon Photonics with Teradyne's Complete Test Solutions



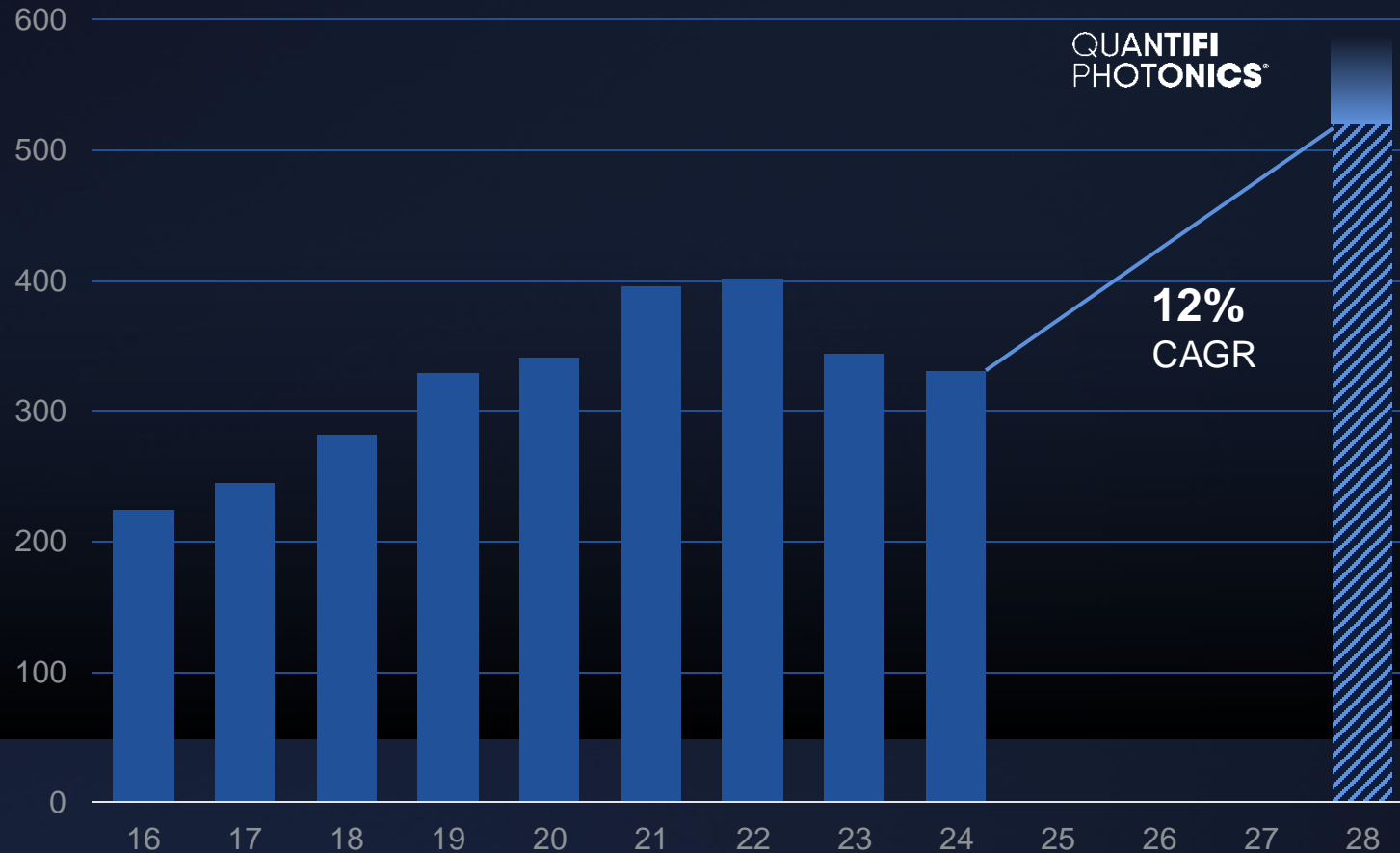
Teradyne + Quantifi Photonics

- AI driving optical interconnects enabling AI data center power & performance
- High throughput photonic IC test required to scale
- Turnkey test solutions required for time to market



Product Test – Return to Double Digit Growth Plan

Product Test Revenue, \$M



Growth Drivers

- AI quality and unit growth demands
- Maintain WiFi & UWB leadership
- Customer & technology synergies, including Semi VIPs
- Silicon photonics disruption

TERADYNE

ANALYST DAY 2025

Financial Highlights

Resilient Business Model Driving Attractive Returns

Profitably grow our Semiconductor Test,
Product Test, and Robotics businesses

Diversified revenue with a flexible model
enabling significant free cash flow
through the cycles delivering attractive
returns

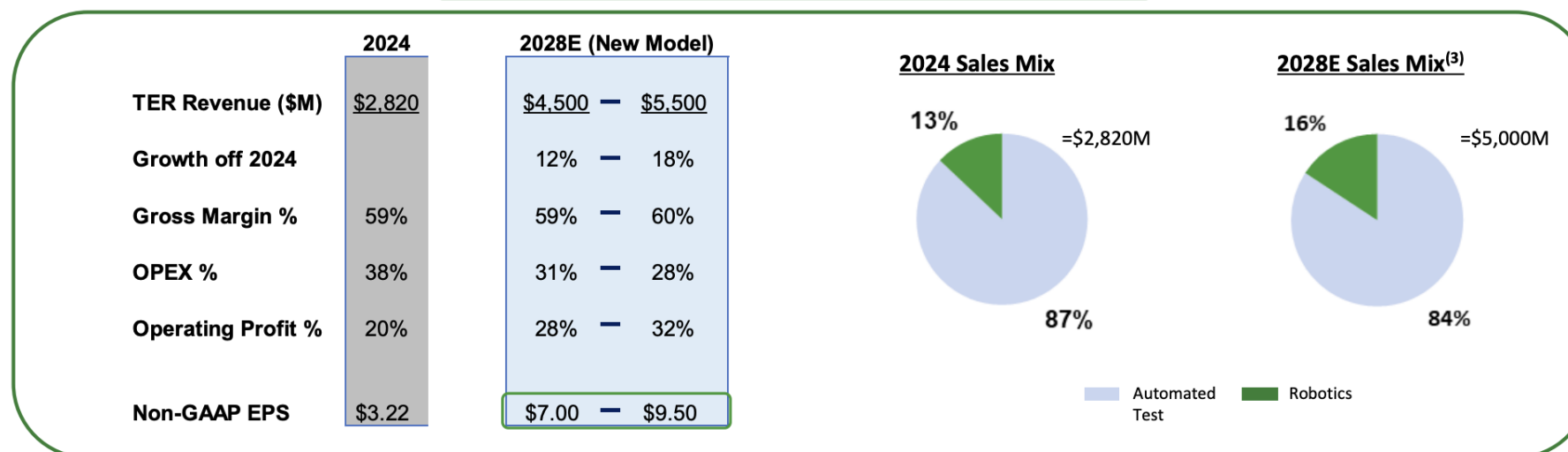
Balanced capital allocation

Committed to Our Non-GAAP 2028 Earnings Model

Teradyne Non-GAAP 2028 Earnings Model

27% EPS CAGR from '24 to '28 at Mid-Point

Financial Model⁽¹⁾⁽²⁾



Model Assumptions

Metric	Old Model	New Model	Comment
Test Revenue CAGR	12-18% off 2023	12-17% off 2024	Drivers: AI – Compute and Memory growth, recovery in Mobility and Auto/Ind markets, IST growth tied to SLT
Robotics Revenue CAGR	20-30% off 2023	18-24% off 2024	Drivers: AI expanding SAM and reducing implementation complexity. Persistent labor shortages in high wage countries

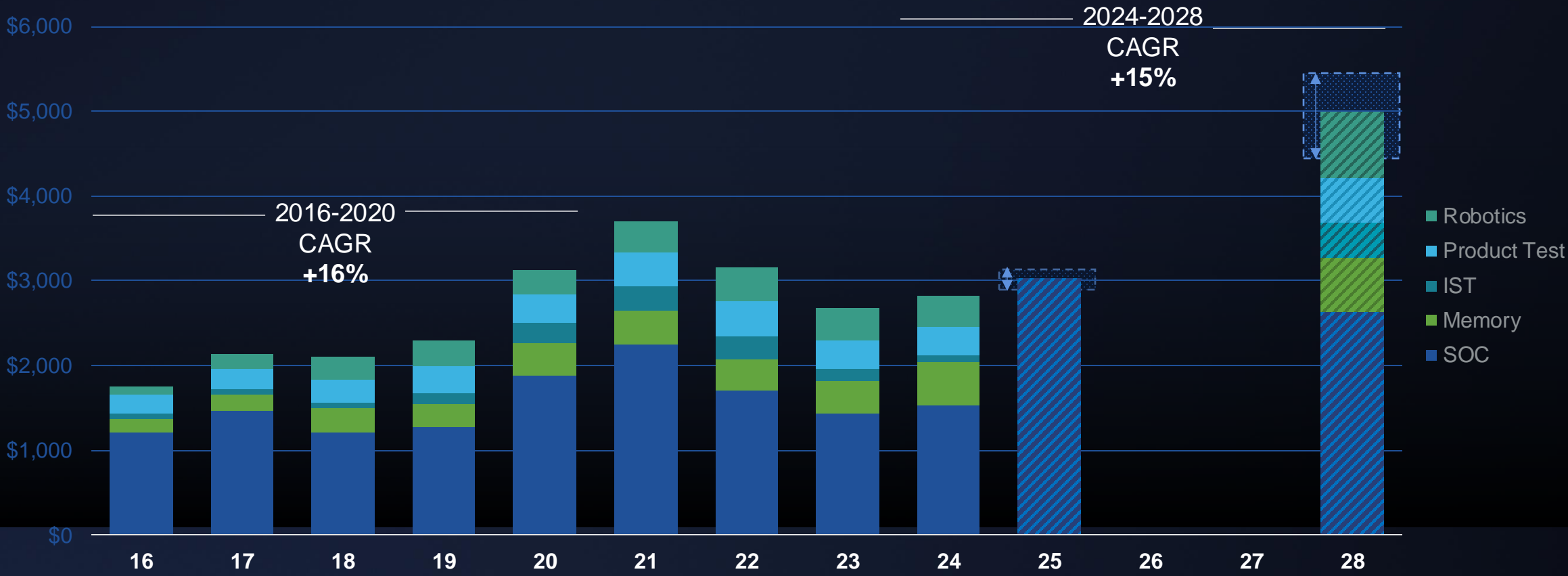
(1) See attached appendix for GAAP to non-GAAP reconciliations

(2) Financial Model Updated as of 1/30/2025

(3) 2028E sales mix is at mid-point of model range

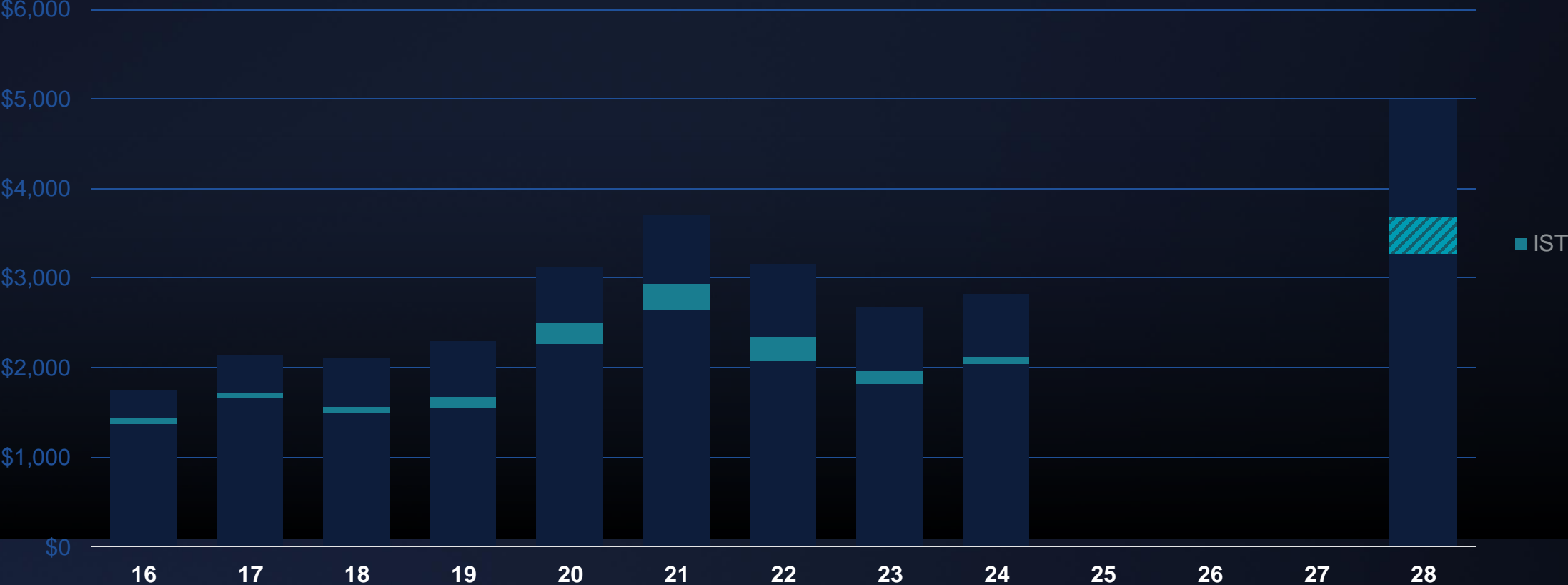
Revenue Trend Back to Historical Growth Levels

Segment Revenue Trending



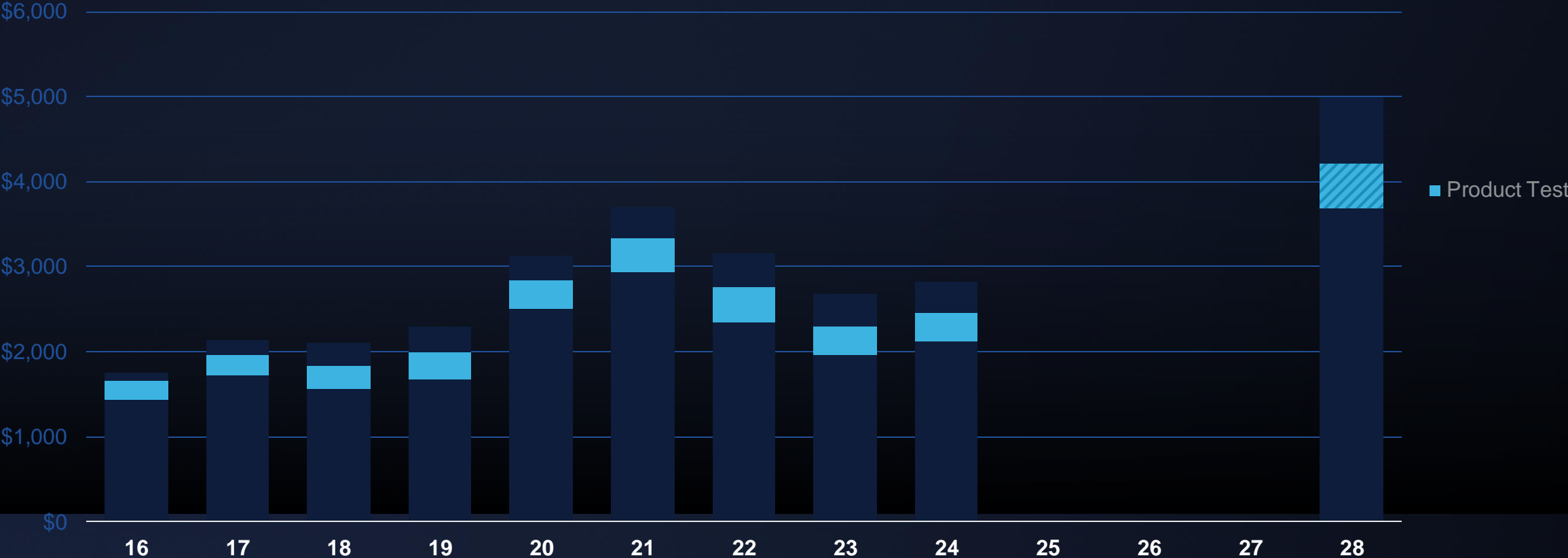
Revenue Trend Back to Historical Growth Levels: IST

IST Revenue Trending



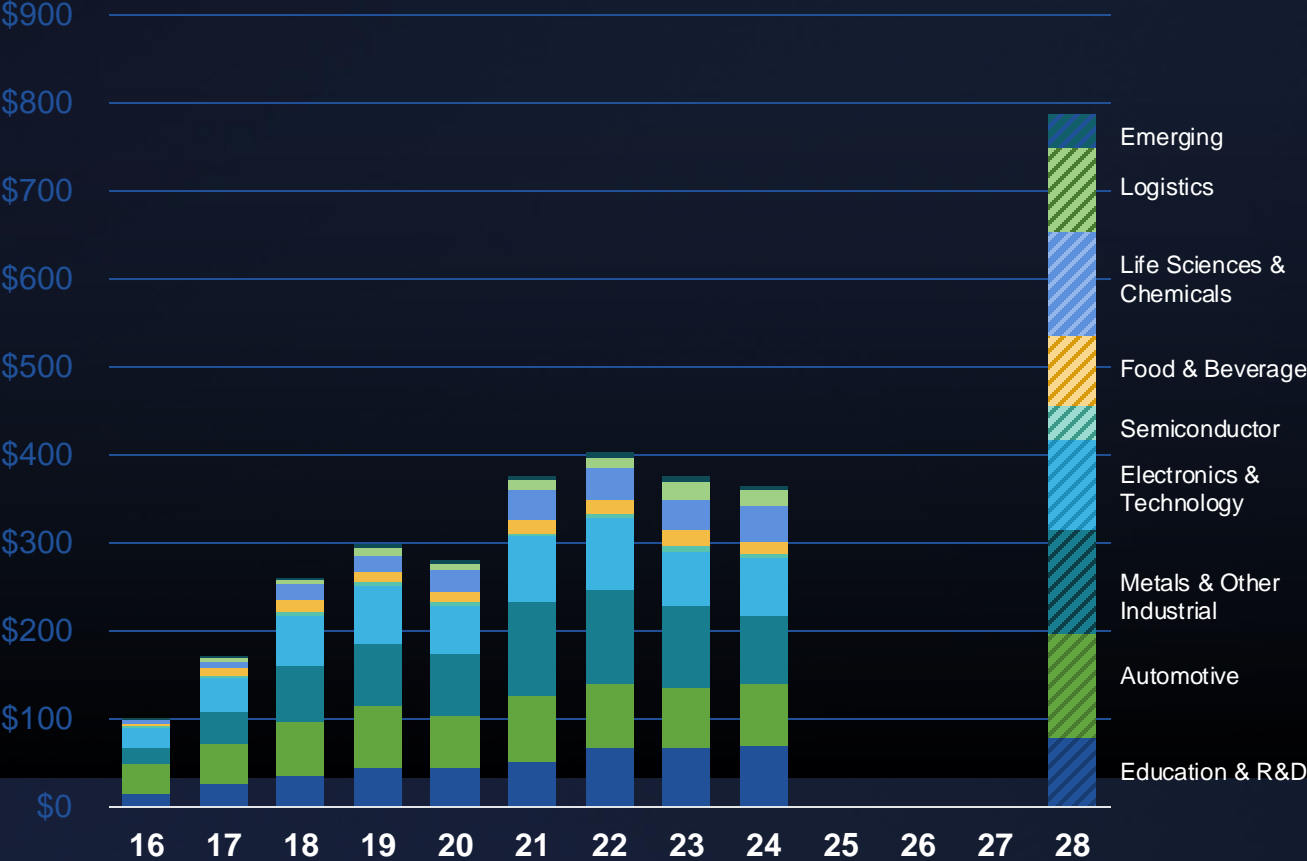
Revenue Trend Back to Historical Growth Levels: Product Test

Product Test Revenue Trending



Robotics Growth: New Products Addressing New Markets

Robotics by End Market

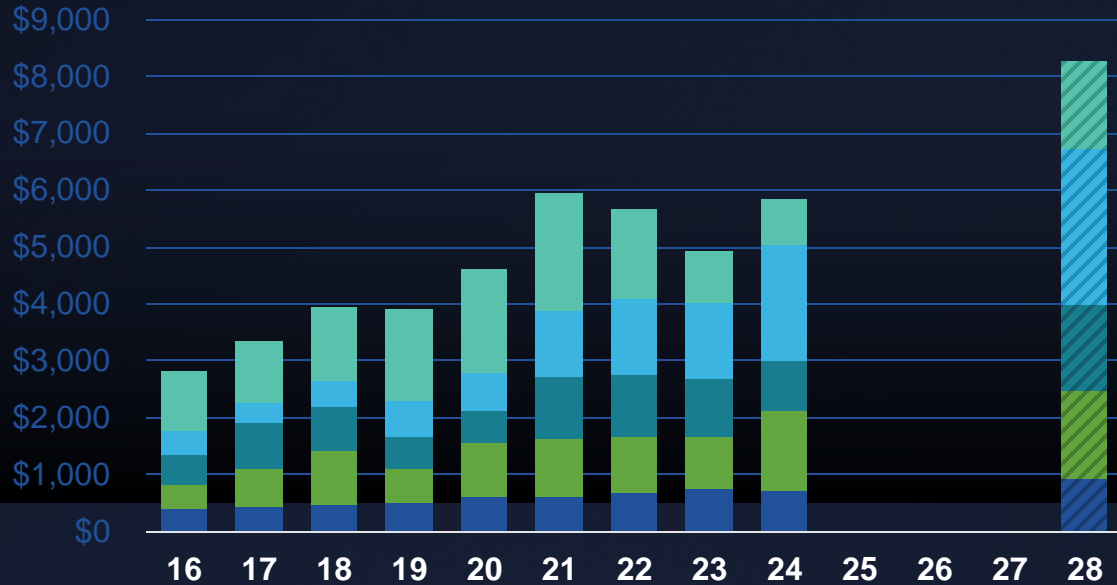


AI-enabled revenue grows from \$0 in 2021, to \$11M by 2024 and is expected to grow to \$150M by 2028

OEM and Direct Large Accounts grow from 23% of revenue in 2024 to 40%+ by 2028

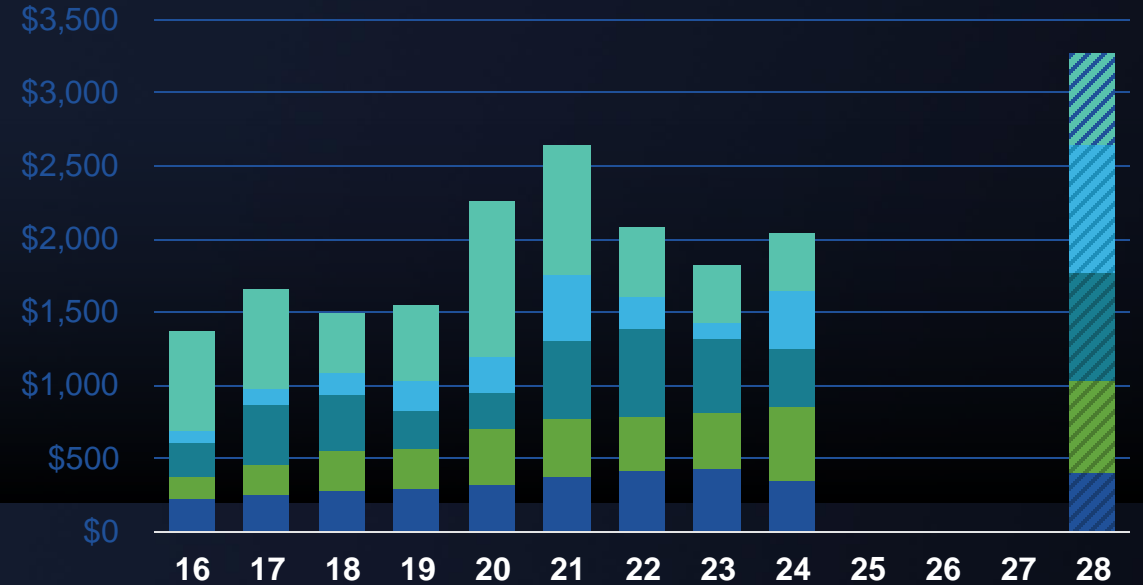
Market Recovery, Compute Share Gain with Balanced Revenue Growth

ATE TAM



Segment Mix	2016	2021	2024	2028E
Mobile	37%	35%	14%	19%
Compute	15%	19%	35%	33%
Auto/Industrial	19%	19%	15%	18%
Memory	15%	17%	24%	19%
Service	14%	10%	12%	11%

SoC / Memory Revenue



Revenue Mix	2016	2021	2024	2028E
Mobile	49%	33%	19%	19%
Compute	7%	18%	20%	27%
Auto/Industrial	17%	20%	19%	23%
Memory	11%	15%	25%	19%
Service	16%	14%	17%	12%

Track Record for Gross Margin Expansion

Gross Margin



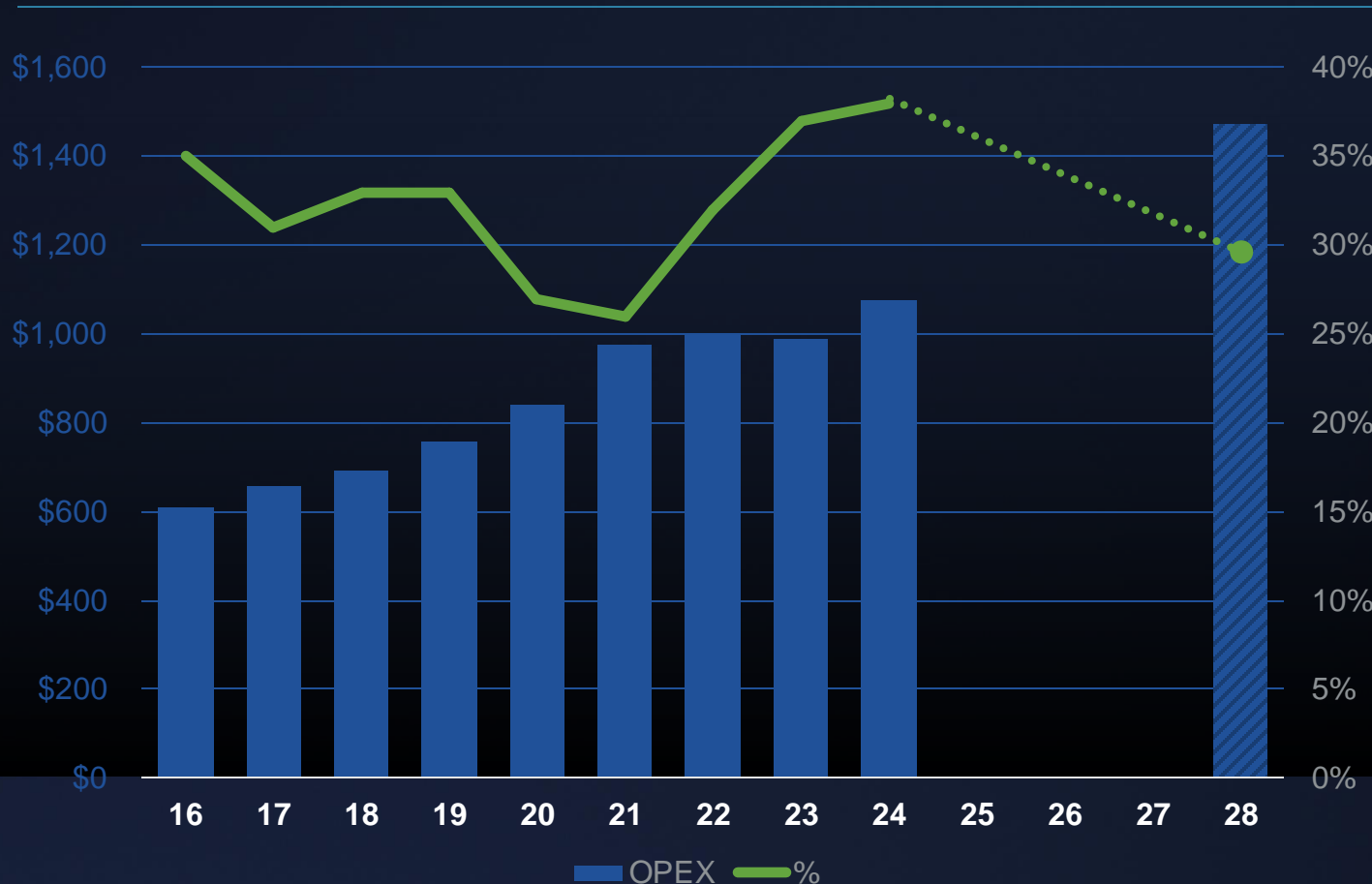
Focused investment towards profit pools

Supply chain resiliency investments with a focus on cost reduction

More than 80% of revenue enabled by contract manufacturing

Disciplined Expense Management Yields Operating Leverage

OPEX



100% of employee base on variable compensation

35% of our employees are in low-cost regions

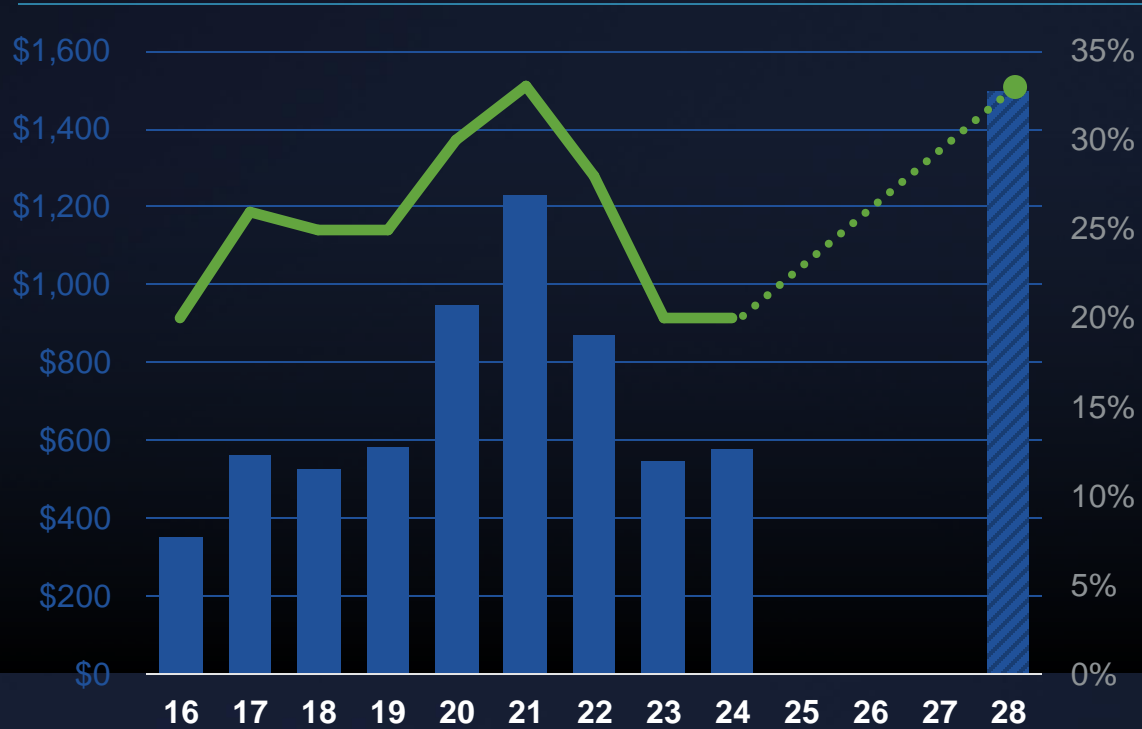
Grow OPEX at half the rate of revenue growth

Investment Priorities

- SemiTest: Compute, DRAM, IST
- Robotics: AI-enabled new products
- Product Test: silicon photonics

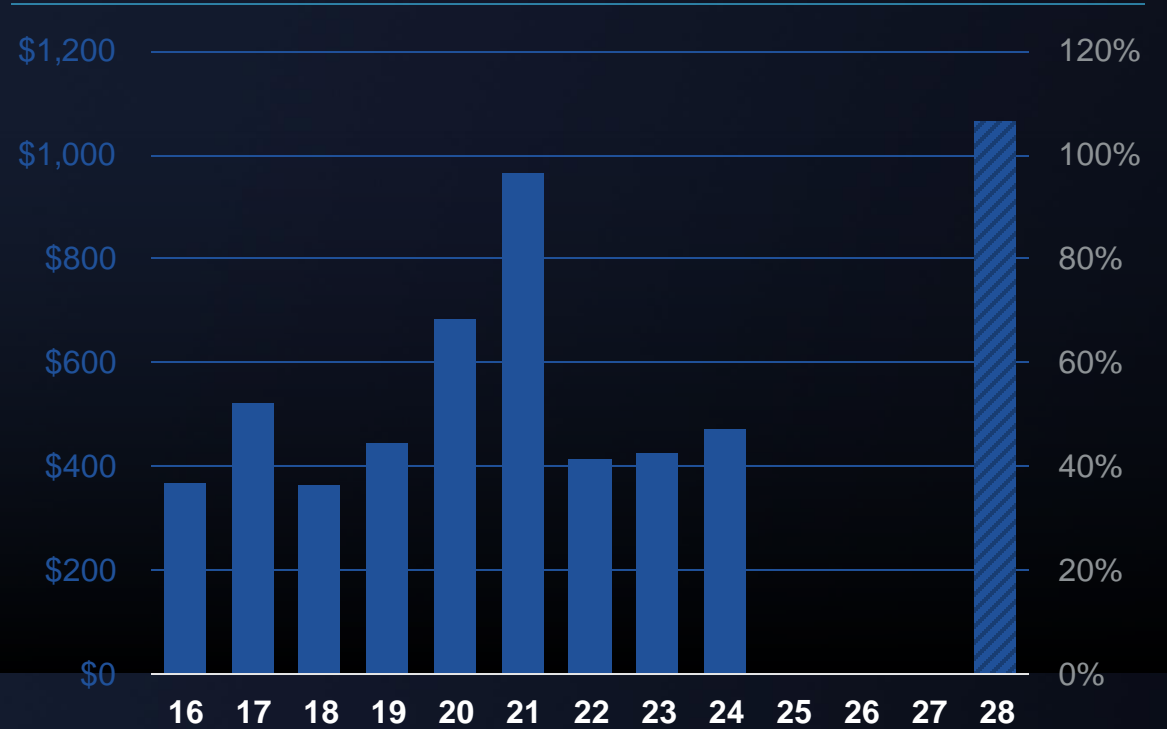
Operating Profit Expansion Correlated to Free Cash Flow Conversion

Operating Profit %



Growth over the mid-term with operating leverage drives profitability

Free Cash Flow



Strong free cash flow conversion; from 2016-2024, cumulative FCF / Net Income ~100%

Working capital management goals included in our annual incentive programs

Balanced Capital Allocation Approach

Continue to fund dividends

**Share buy backs to offset dilution and
opportunistically buy shares back with
excess liquidity**

Strategic and accretive M&A

Since 2015 ~ \$600M in dividends

**Since 2015 ~ \$4B buy backs ~1/3 share
reduction**

Since 2015 ~ \$1.1B in M&A

Resilient Business Model Driving Attractive Returns

Profitably Grow Our Businesses

Market recovery in Mobile,
Auto/Industrial

Compute share gains via segment
shift to VIPs

Industrial Automation market recovers
and new AI products enable
incremental markets

Flexible Model with Balanced Revenue Mix

> 80% of revenue enabled by contract
manufacturing

100% of EEs on variable compensation
with 35% in low-cost regions

Debt-free strong balance sheet with
significant debt capacity

Balanced Capital Allocation

Strong free cash flows through
industry cycles

Value creation through accretive M&A
tied to strategic objectives

Share buybacks / Dividends

Q&A Session



Greg Smith
Chief Executive Officer



Regan Mills
President
Product Test



Rick Burns
President
Semiconductor Test



Sanjay Mehta
Chief Financial Officer



Ujjwal Kumar
President
Robotics

Teradyne, Inc.

Certain Non-GAAP financial measures discussed during the Analyst Day presentation

March 11, 2025

FY2024	EPS, gross margin, operating expenses, operating profit/PBIT
FY2026	EPS
FY2025	Operating expenses, operating profit/PBIT
FY2028	EPS, gross margin, operating expenses, operating profit/PBIT
FY2016-FY2024	Gross margin, operating expenses, operating profit/PBIT, free cash flow
Robotics	Breakeven, FY2028 EPS

2026 Model Range

	<u>FY 2026 Low</u>	<u>FY 2026 Mid</u>	<u>FY 2026 High</u>
2026 Estimated GAAP Diluted EPS	\$ 5.49	\$ 6.49	\$ 7.49
Add Back Intangible Asset Amortization	\$ 0.01	\$ 0.01	\$ 0.01
2026 Estimated Non-GAAP Diluted EPS	\$ 5.50	\$ 6.50	\$ 7.50

Robotics 2025 Breakeven	FY 2025E
GAAP PBIT	-3%
Add back amortization	<u>3%</u>
Non GAAP PBIT	0%

Robotics 2028 EPS

2028 Estimated GAAP Diluted EPS – Mid	0.52
Add back intangible amortization	0.01
2028 Estimated Non-GAAP Diluted EPS	0.53

2028 Model Range

	<u>FY 2028 Low</u>	<u>FY 2028 Mid</u>	<u>FY 2028 High</u>
2028 Estimated GAAP Diluted EPS	\$ 6.81	\$ 8.06	\$ 9.31
Add Back Intangible Asset Amortization	\$ 0.19	\$ 0.19	\$ 0.19
2028 Estimated Non-GAAP Diluted EPS	\$ 7.00	\$ 8.25	\$ 9.50

	<u>Model at 10% CAGR</u>
2028 Estimated GAAP Diluted EPS	\$ 7.92
Add back Intangible Asset Amortization	\$ 0.19
2028 Estimated Non-GAAP Diluted EPS	\$ 8.11

GAAP to Non-GAAP Earnings Reconciliation

(In millions, except per share amounts)

	Twelve Months Ended			
	December 31, 2024		December 31, 2023	
	\$	% of Net Revenues	\$	% of Net Revenues
Net Revenues	2,819.9		2,676.3	
Gross profit - GAAP	1,648.9	58.5%	1,536.7	57.4%
Legal settlement (1)	3.6	0.1%	—	—
Gross profit - non-GAAP	1,652.5	58.6%	1,536.7	57.4%
Income from operations - GAAP	593.8	21.1%	501.1	18.7%
Acquired intangible assets amortization	18.8	0.7%	19.0	0.7%
Restructuring and other (2)	15.6	0.6%	21.3	0.8%
Legal settlement (1)	3.6	0.1%	—	—
Equity modification charge (3)	1.7	0.1%	5.9	0.2%
Loss (gain) on sale of business (4)	(57.1)	-2.0%	—	—
Income from operations - non-GAAP	576.3	20.4%	547.3	20.4%

	December 31, 2024		Net Income per Common Share		December 31, 2023		Net Income per Common Share	
	\$	% of Net Revenues	Basic	Diluted	\$	% of Net Revenues	Basic	Diluted
Net income - GAAP	542.4	19.2%	3.39	3.32	448.8	16.8%	2.91	2.73
Acquired intangible assets amortization	18.8	0.7%	0.12	0.11	19.0	0.7%	0.12	0.12
Restructuring and other (2)	15.6	0.6%	0.10	0.10	21.8	0.8%	0.14	0.13
Amortization of equity method investment	10.4	0.4%	0.07	0.06	—	—	—	—
Loss (gain) on foreign exchange option	9.8	0.3%	0.06	0.06	(7.5)	-0.3%	(0.05)	(0.05)
Legal settlement (1)	3.6	0.1%	0.02	0.02	—	—	—	—
Equity modification charge (3)	1.7	0.1%	0.01	0.01	5.9	0.2%	0.04	0.04
Pension mark-to-market adjustment (5)	(4.4)	-0.2%	(0.03)	(0.03)	2.7	0.1%	0.02	0.02
Loss (gain) on sale of business (4)	(57.1)	-2.0%	(0.36)	(0.35)	—	—	—	—
Exclude discrete tax adjustments	(8.7)	-0.3%	(0.05)	(0.05)	(3.4)	-0.1%	(0.02)	(0.02)
Non-GAAP tax adjustments	(6.9)	-0.2%	(0.04)	(0.04)	(7.7)	-0.3%	(0.05)	(0.05)
Convertible share adjustment (6)	—	—	—	—	—	—	—	0.01
Net income - non-GAAP	525.1	18.6%	3.29	3.22	479.6	17.9%	3.11	2.93

GAAP and non-GAAP weighted average common shares - basic	159.8	154.3
GAAP weighted average common shares - diluted (6)	163.3	164.3
Exclude dilutive shares from convertible note	—	(0.6)
Non-GAAP weighted average common shares - diluted	163.3	163.7

Gross Margin and PBIT/Operating Profit

	Twelve Months Ended			
	December 31, 2023	% of Net Revenues	December 31, 2022	% of Net Revenues
Net Revenues	\$ 2,676.3		\$ 3,155.0	
Gross profit GAAP and non-GAAP	1,536.7	57.4%	1,867.2	59.2%
Income from operations - GAAP	501.1	18.7%	831.9	26.4%
Restructuring and other (1)	21.3	0.8%	17.2	0.5%
Acquired intangible assets amortization	19.0	0.7%	19.3	0.6%
Equity modification charge (2)	5.9	0.2%	—	—
Income from operations - non-GAAP	\$ 547.3	20.4%	\$ 868.4	27.5%

	Twelve Months Ended			
	December 31, 2021	% of Net Revenues	December 31, 2020	% of Net Revenues
Net Revenues	\$ 3,702.9		\$ 3,121.5	
Gross profit GAAP	\$ 2,206.7	59.6%	\$ 1,785.7	57.2%
Inventory step-up	—	—	0.4	0.0%
Gross profit non-GAAP	\$ 2,206.7	59.6%	\$ 1,786.1	57.2%
Income from operations—GAAP	\$ 1,208.7	32.6%	\$ 928.4	29.7%
Acquired intangible assets amortization	21.5	0.6%	30.8	1.0%
Restructuring and other (1)	1.3	0.0%	(13.2)	-0.4%
Inventory step-up	—	—	0.4	0.0%
Equity modification charge	—	—	0.8	0.0%
Income from operations—non-GAAP	\$ 1,231.5	33.3%	\$ 947.2	30.3%

	Twelve Months Ended			
	December 31, 2019	% of Net Revenues	December 31, 2018	% of Net Revenues
Net Revenues	\$ 2,295.0		\$ 2,100.8	
Gross profit GAAP	\$ 1,339.8	58.4%	\$ 1,220.4	58.1%
Inventory step-up	0.4	0.0%	0.4	0.0%
Gross profit non-GAAP	\$ 1,340.2	58.4%	\$ 1,220.8	58.1%
Income from operations — GAAP	\$ 553.7	24.1%	\$ 473.8	22.6%
Acquired intangible assets amortization	40.1	1.7%	39.2	1.9%
Equity modification charge (1)	2.1	0.1%	—	—
Restructuring and other (2)	(13.9)	-0.6%	15.2	0.7%
Inventory step-up	0.4	0.0%	0.4	0.0%
Income from operations — non-GAAP	\$ 582.4	25.4%	\$ 528.6	25.2%

	Twelve Months Ended			
	December 31, 2017	% of Net Revenues	December 31, 2016	% of Net Revenues
Net Revenues	\$ 2,136.6		\$ 1,753.3	
Gross profit - GAAP	\$ 1,223.9	57.3%	\$ 959.6	54.7%
Pension mark-to-market adjustment (1)	(2.8)	-0.1%	(1.0)	-0.1%
Gross profit - non-GAAP	\$ 1,221.1	57.2%	\$ 958.6	54.7%
Income (loss) from operations - GAAP	\$ 530.0	24.8%	\$ (60.0)	-3.4%
Acquired intangible assets amortization	30.5	1.4%	52.6	3.0%
Restructuring and other (2)	9.4	0.4%	21.9	1.2%
Pension mark-to-market adjustment (1)	(6.3)	-0.3%	(3.2)	-0.2%
Goodwill impairment (3)	—	—	254.9	14.5%
Acquired intangible assets impairment (3)	—	—	83.3	4.8%
Income from operations - non-GAAP	\$ 563.6	26.4%	\$ 349.5	19.9%

OpEx

	16	17	18	19	20	21	22	23	24	25	26	27	28
GAAP	\$1,019	\$698	\$746	\$787	\$858	\$1,006	\$1,035	\$1,036	\$1,055	\$1,191			\$1,476
Intangible Asset Amortization	\$53	\$31	\$39	\$40	\$31	\$21	\$19	\$19	\$19	\$11			\$1
Restructuring and Other	\$22	\$9	\$15	(\$14)	(\$13)	\$9	\$17	\$21	\$16	\$6			\$0
Equity Modification Charge	\$0	\$0	\$0	\$2	\$1	\$0	\$0	\$6	\$2	\$0			\$0
Goodwill Impairment Charge	\$255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0
Acquired intangible assets impairment	\$83	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0
Pension Mark to Market	(\$3)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0
Loss (gain) on sale of business	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$57)	\$0			\$0
Non-GAAP	\$609	\$658	\$692	\$759	\$839	\$975	\$999	\$990	\$1,077	\$1,173			\$1,475

	16	17	18	19	20	21	22	23	24	25	26	27	28
GAAP	58%	33%	36%	34%	27%	27%	33%	39%	37%	37%			30%
Intangible Asset Amortization	3%	1%	2%	2%	1%	1%	1%	1%	1%	0%			0%
Restructuring and Other	1%	0%	1%	-1%	0%	0%	1%	1%	1%	0%			0%
Equity Modification Charge	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			0%
Goodwill Impairment Charge	15%	0%	0%	0%	0%	0%	0%	0%	0%	0%			0%
Acquired intangible assets impairment	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%			0%
Pension Mark to Market	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%			0%
Loss (gain) on sale of business	0%	0%	0%	0%	0%	0%	0%	0%	-2%	0%			0%
Non-GAAP	35%	31%	33%	33%	27%	26%	32%	37%	38%	36%			30%

Free Cash flow (“FCF”)

	16	17	18	19	20	21	22	23	24	25	26	27	28
GAAP Cashflow from Operations, Excl Disc Ops	\$ 455	\$ 626	\$ 477	\$ 579	\$ 869	\$ 1,098	\$ 578	\$ 585	\$ 672				\$ 1,435
Less Property, Plant and Equipment Additions net of Gov't Subsidy	\$ (85)	\$ (105)	\$ (107)	\$ (135)	\$ (185)	\$ (132)	\$ (163)	\$ (160)	\$ (198)				\$ (180)
Non-GAAP Operating Cash Flow ("Free Cash Flow")	\$ 370	\$ 521	\$ 370	\$ 444	\$ 684	\$ 966	\$ 415	\$ 425	\$ 474				\$ 1,255