NORTH READING, Mass.--(BUSINESS WIRE)-- Teradyne, Inc. (NASDAQ: TER):

replay will be available on the Teradyne website at www.teradyne.com/investors.

- Revenue and earnings above the high-end of Q2 guidance
- Revenue of \$730 million in Q2'24, up 7% from Q2'23
- 14% YoY Growth in Q2 for Semiconductor Test driven by continued strength in memory and demand recovery in SoC

	Revenue (mil)	\$	730	\$	684	\$	600	
	GAAP EPS	\$	1.14	\$	0.73	\$	0.40	
	Non-GAAP EPS	\$	0.86	\$	0.79	\$	0.51	
Teradyne, Inc. (NASDAQ: TER) reported rev	venue of \$730 million for the se	econd qu	arter of 2024	4 of whicl	า \$543 millio	on was in	Semicondu	ctor Test, \$61 million in System Test, \$

Q2'23

Q1'24

Q2'24

Teradyne's net income in the second quarter of 2024 was \$140.0 million, or \$0.86 per diluted share, which excluded acquired intangible asset amortization, restructuring and other charges, gains on foreign exchange options in connection with acquisitions and divestitures, gain on sale of business, and included the related tax impact on non-GAAP adjustments. "In the second quarter, Al applications drove accelerated demand from both compute and memory customers, and our robotics business grew sequentially and year-over-year," said Teradyne CEO Greg Smith. "Overall, 2024 is shaping up as we expected, and we believe the deployment of edge AI will strengthen demand in our test and robotics businesses

million in Wireless Test and \$90 million in Robotics. GAAP net income for the second quarter of 2024 was \$186.3 million or \$1.14 per diluted share. On a non-GAAP basis,

Guidance for the third quarter of 2024 is revenue of \$680 million to \$740 million, with GAAP net income of \$0.62 to \$0.82 per diluted share and non-GAAP net income of \$0.66 to \$0.86 per diluted share. Non-GAAP guidance excludes acquired intangible asset amortization and amortization on our investment in Technoprobe, as well as the related tax impact

on non-GAAP adjustments. Webcast

## A conference call to discuss the second quarter results, along with management's business outlook, will follow at 8:30 a.m. ET, Thursday, July 25, 2024. Interested investors should access the webcast at www.teradyne.com and click on "Investors" at least five minutes before the call begins. Presentation materials will be available starting at 8:30 a.m. ET. A

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**Non-GAAP Results** In addition to disclosing results that are determined in accordance with GAAP, Teradyne also discloses non-GAAP results of operations that exclude certain income items and charges. These results are provided as a complement to results provided in accordance with GAAP. Non-GAAP income from operations and non-GAAP net income exclude

exchange options in connection with acquisitions and divestitures, gain on sale of business, discrete income tax adjustments, and includes the related tax impact on non-GAAP

adjustments. GAAP requires that these items be included in determining income from operations and net income. Non-GAAP income from operations, non-GAAP net income, non-

acquired intangible assets amortization, restructuring and other, pension actuarial gains and losses, stock compensation modification expense, gains and losses on foreign

over the mid-term."

GAAP income from operations as a percentage of revenue, non-GAAP net income as a percentage of revenue, and non-GAAP net income per share are non-GAAP performance measures presented to provide meaningful supplemental information regarding Teradyne's baseline performance before gains, losses or other charges that may not be indicative of Teradyne's current core business or future outlook. These non-GAAP performance measures are used to make operational decisions, to determine employee compensation, to forecast future operational results, and for comparison with Teradyne's business plan, historical operating results and the operating results of Teradyne's competitors. Non-GAAP diluted shares include the impact of Teradyne's call option on its shares. Management believes each of these non-GAAP performance measures provides useful supplemental information for investors, allowing greater transparency to the information used by management in its operational decision making and in the review of Teradyne's financial and operational performance, as well as facilitating meaningful comparisons of Teradyne's results in the current period compared with those in prior and future periods. A reconciliation of each available GAAP to non-GAAP financial measure discussed in this press release is contained in the attached exhibits and on the Teradyne website at www.teradyne.com by clicking on "Investor Relations" and then selecting "Financials" and the "GAAP to Non-GAAP Reconciliation" link. The non-GAAP performance measures discussed in this press release may not be comparable to similarly titled measures used by other companies. The presentation of non-GAAP measures is not meant to be considered in isolation, as a substitute for, or superior to, financial measures or information provided in accordance with GAAP. **About Teradyne** Teradyne (NASDAQ:TER) test technology helps bring high-quality innovations such as smart devices, life-saving medical equipment and data storage systems to market, faster. Its

advanced test solutions for semiconductors, electronic systems, wireless devices and more ensure that products perform as they were designed. Its robotics offerings include collaborative and mobile robots that help manufacturers of all sizes increase productivity, improve safety, and lower costs. In 2023, Teradyne had revenue of \$2.7 billion and today employs over 6,200 people worldwide. For more information, visit teradyne.com. Teradyne® is a registered trademark of Teradyne, Inc., in the U.S. and other countries. **Safe Harbor Statement** This release 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. Forward-looking statements in this press release address various matters, including statements regarding Teradyne's financial guidance. Investors 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

Operating expenses:

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 such as COVID-19; 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; the impact of U.S. Department of Commerce or other government agency regulations relating to Huawei, HiSilicon and other customers or potential customers; the impact of U.S. Department 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 Israel-Hamas conflict; 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. 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, 2023. 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 press release which speak only as to the date of this press release. Teradyne specifically disclaims any obligation

to update any forward-looking information contained in this press release or with respect to the announcements described herein.

**Six Months Ended Quarter Ended** July 2, June 30, March 31, June 30, July 2, 2023 2024 2024 2023 2024 Net revenues \$ 729,879 599,819 684,437 1,329,698 1,301,966 \$ \$ \$ 564,572 543,054 Cost of revenues (exclusive of acquired intangible assets amortization shown separately below) (1) 304,035 260,537 281,945 339,282 765,126 758,912 Gross profit 425,844 402,492

equity awards in connection with his February 1, 2023, retirement.

cash and cash equivalents sold and a working capital adjustment.

Restructuring and other consists of:

Acquisition and divestiture related expenses

TERADYNE, INC. REPORT FOR SECOND FISCAL QUARTER OF 2024

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Selling and administrative (2)					154,470		149,188		145,695		303,658		296,650
Engineering and development					111,816		103,199		105,706		215,015		211,468
Acquired intangible assets amortization					4,664		4,697		4,825		9,361		9,627
Restructuring and other (3)					2,012		4,427		6,358		6,440		8,395
Gain on sale of business (4)					(57,486)		_		_		(57,486)		_
Operating expenses					215,476		261,511		262,584		476,988		526,140
Income from operations					210,368		77,771		139,908		288,138		232,772
Interest and other (income) expense (5)					(9,035)		4,869		(4,494)		(4,167)		(8,714)
Income before income taxes					219,403		72,902		144,402		292,305		241,486
Income tax provision					33,130		8,705		24,352		41,835		37,905
Net income				\$	186,273	\$	64,197	\$	120,050	\$	250,470	\$	203,581
Net income per common share:													
Basic				\$	1.18	\$	0.42	\$	0.78	\$	1.61	\$	1.31
Diluted				\$	1.14	\$	0.40	\$	0.73	\$	1.54	\$	1.23
Weighted average common shares - basic					157,804		153,047		154,760		155,426		155,332
Weighted average common shares - diluted (6)				_	163,470		162,348		164,751		162,909		165,530
				Φ.	0.40	Φ.	0.40	Φ.	0.44	Φ.	0.04	Φ.	2.22
Cash dividend declared per common share				\$	0.12	\$	0.12	\$	0.11	\$	0.24	\$	0.22
(1) Cost of revenues includes:													
			Qua	arter Ended	l					Six M	onths Ende	d	
	Jui	ne 30,	Mar	ch 31,		July 2	2,	•	June 3	0,		July	2,
	2	2024	2	024		2023	3		2024			2023	
Provision for excess and obsolete inventory	\$	3,261	\$	6,177	\$		5,731		\$	9,438	\$		11,341
Sale of previously written down inventory		(592)		(722)			(2,463)			(1,314)	)		(2,848)
	\$	2,669	\$	5,455	\$		3,268	ļ	\$	8,124	\$		8,493

187 187 1,218 1,218 Other 2,012 4,427 6,358 6,440 8,395 On May 27, 2024, Teradyne sold Teradyne's Device Interface Solution ("DIS") business, a component of the Semiconductor Test segment, to Technoprobe S.p.A. ("Technoprobe"), for \$85.0 million, net of

2,012

June 30,

2024

For the quarter ended March 31, 2024, and the six months ended June 30, 2024, selling and administrative expenses included an equity charge of \$1.7 million for the modification of Teradyne executives'

**Quarter Ended** 

March 31,

2024

2,026

2,214

**Quarter Ended** 

March 31,

2024

\$

July 2,

2023

5,140

July 2,

2023

\$

**Six Months Ended** 

\$

**Six Months Ended** 

July 2,

2023

7,177

July 2,

2023

December 31,

2023

757,571

62,154

422,124

309,974

548,970

37,992

11,504

38,580

35,404

415,652

11,531

3,486,824

June 30,

2024

4,038

2,214

June 30,

2024

June 30,

2024

421,904

38,654

470,297

288,748

515,906

20,884

11,293

524,060

47,923

25,465

405,110

\$

\$ 3,631,706

\$

\$

retirement agreements. For the six months ended July 2, 2023, selling and administrative expenses included an equity charge of \$5.9 million for the modification of Teradyne's retired CEO's outstanding

Loss (gain) on foreign exchange ontion

Cash and cash equivalents

Marketable securities

Other current assets

Retirement plans assets

Assets held for sale

Total assets

Inventories, net

Prepayments

Accounts receivable, net

Assets

Interest and other includes:

Employee severance

Loss (gain) on foreign exchange option	\$	(4,154)	\$	13,918	\$	_	\$	9,765	\$	_
Pension actuarial losses (gains)		(250)		_		53		(250)		53
(6) Under GAAP, when calculating diluted earnings per share, convertible debt must be a convertible debt as the effect would be dilutive. Accordingly, for the quarters ended J respectively, from the convertible note hedge transaction. For the six months ended convertible note hedge transaction. For the quarter ended July 2, 2023, 0.7 million shaden included in diluted shares.	June 30, 2024 June 30, 2024	4, March 31, 2024 4, and July 2, 202	1, and July 23, diluted s	2, 2023, diluted s shares included 6	shares in 6.9 millio	cluded 4.9 n and 8.9	9 million, 8.9 million shar	9 million and 8 res, respective	3.9 million ly, from th	shares, ne

June 30,

2024

Current assets held for sale 23,250 1,756,393 2,162,035 Total current assets 445,492 Property, plant and equipment, net 472,457 Operating lease right-of-use assets, net 72,381 73,417 Marketable securities 123,723 117,434 192,901 Deferred tax assets 175,775

Equity method investment Other assets Acquired intangible assets, net Goodwill

Deferred revenue and customer advances

Proceeds from the sale of a business, net of cash and cash equivalents sold

163.5

June 30,

2024

\$

June 30,

2024

June 30,

2024

250.5

9.8

9.4

6.4

1.7

(0.3)

(57.5)

8.2

(5.7)

1,329.7

2.0

2.0

For the quarter ended March 31, 2024, selling and administrative expenses included an equity charge of \$1.7 million for the modification of Teradyne executives' retirement agreements.

On May 27, 2024, Teradyne sold DIS, a component of the Semiconductor Test segment, to Technoprobe, for \$85.0 million, net of cash and cash equivalents sold and a working capital adjustment.

For the quarters ended June 30, 2024, and July 2, 2023, adjustments to exclude actuarial gains and losses, respectively, recognized under GAAP in accordance with Teradyne's mark-to-market pension

For the quarters ended June 30, 2024, March 31, 2024, and July 2, 2023, non-GAAP weighted average diluted common shares included 4.9 million, 8.9 million and 8.9 million shares, respectively, from the

**Basic** 

1.61

0.06

0.06

0.04

0.01

(0.00)

(0.37)

0.05

(0.04)

**Diluted** 

1.54

0.06

0.06

0.04

0.01

(0.00)

(0.35)

0.05

(0.03)

\$740 million

0.82

0.03

0.02

\$

\$

**Six Months Ended** 

Retirement plans contributions

Purchases of property, plant and equipment

Proceeds from maturities of marketable securities

Payments of borrowings on revolving credit facility

Proceeds from sales of marketable securities

Purchases of investment in a business

Purchases of marketable securities

Income taxes

Cash flows from investing activities:

Proceeds from life insurance

Net cash used for investing activities

Cash flows from financing activities:

Repurchase of common stock

Dividend payments

shares - diluted

Employee severance

accounting.

Net Revenues

Net income - GAAP

Loss (gain) on foreign exchange option

Acquired intangible assets amortization

Pension mark-to-market adjustment (4)

Restructuring and other (1)

Equity modification charge (2)

Loss (gain) on sale of business (3)

Exclude discrete tax adjustments

Non-GAAP tax adjustments

convertible note hedge transaction.

Other

Divestiture related expenses

(1) Restructuring and other consists of:

Net cash provided by operating activities

CONDENSED CONSOLIDATED BALANCE SHEETS (In thousands)

Total assets					1,706	Ф	
iabilities							
Accounts payable				\$	160,808	\$	180,131
Accrued employees' compensation and withholdings					161,187		191,750
Deferred revenue and customer advances					102,988		99,804
Other accrued liabilities					108,746		114,712
Operating lease liabilities					18,280		17,522
Income taxes payable					74,365		48,653
Current liabilities held for sale					_		7,379
Total current liabilities					626,374		659,951
Retirement plans liabilities					135,167		132,090
Long-term deferred revenue and customer advances					36,146		37,282
Long-term other accrued liabilities					16,632		19,998
Deferred tax liabilities					96		183
Long-term operating lease liabilities					61,883		65,092
Long-term income taxes payable					24,596		44,331
Liabilities held for sale					_		2,000
Total liabilities					900,894		960,927
Total liabilities				2,	2,730,812		2,525,897
Shareholders' equity							
Shareholders' equity  Total liabilities and shareholders' equity				\$ 3,	8,631,706	\$	3,486,824
Shareholders' equity	Quarter E	nded		\$ 3,	Six Mont	<u>-</u>	
Shareholders' equity  Total liabilities and shareholders' equity					Six Mont	<u>-</u>	ded
Shareholders' equity  Total liabilities and shareholders' equity	Quarter E ine 30, 2024	nded July 2, 2023		Jui		<u>-</u>	
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)	ne 30,	July 2,		Jui	Six Mont	<u>-</u>	ded July 2,
Shareholders' equity  Total liabilities and shareholders' equity	ne 30,	July 2, 2023		Jui	Six Mont	<u>-</u>	ded July 2,
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:	 ne 30, 2024	July 2, 2023		Jui 2	Six Mont ne 30, 2024	hs En	ded July 2, 2023
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income	 ne 30, 2024	July 2, 2023 \$ 120		Jui 2	Six Mont ne 30, 2024	hs En	ded July 2, 2023
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:	 ne <b>30,</b> <b>2024</b> 186,273	July 2, 2023 \$ 120	0,050	Jui 2	Six Mont ne 30, 2024 250,470	hs En	ded July 2, 2023
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation	 186,273 25,573	<b>July 2, 2023</b> \$ 120	0,050 2,551	Jui 2	Six Mont ine 30, 2024 250,470 48,927	hs En	ded July 2, 2023 203,581 45,231
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation	 186,273 25,573 14,935	July 2, 2023 \$ 120 22 13	0,050 2,551 3,564	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693	hs En	ded July 2, 2023 203,581 45,231 32,449
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization	 186,273 25,573 14,935 4,631	July 2, 2023 \$ 120 13 4	0,050 2,551 3,564 4,654	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693 9,397	hs En	ded July 2, 2023 203,581 45,231 32,449 9,580
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory	 186,273 25,573 14,935 4,631 3,261	July 2, 2023 \$ 120 13 4	0,050 2,551 3,564 4,654 5,731	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693 9,397 9,438	hs En	ded July 2, 2023 203,581 45,231 32,449 9,580 11,341
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory  Losses (gains) on investments	 186,273 25,573 14,935 4,631 3,261 2,624	July 2, 2023 \$ 120 13 4 5	0,050 2,551 3,564 4,654 5,731 2,507)	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693 9,397 9,438 13,090	hs En	ded July 2, 2023 203,581 45,231 32,449 9,580 11,341
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory  Losses (gains) on investments  Gain on sale of business	 186,273 25,573 14,935 4,631 3,261 2,624 (57,486)	July 2, 2023 \$ 120 13 4 5	0,050 2,551 3,564 4,654 5,731 2,507)	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693 9,397 9,438 13,090 (57,486)	hs En	ded July 2, 2023  203,581  45,231 32,449 9,580 11,341 (4,745) —
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory  Losses (gains) on investments  Gain on sale of business  Deferred taxes	 186,273 25,573 14,935 4,631 3,261 2,624 (57,486) (7,161)	July 2, 2023 \$ 120 13 4 5	0,050 2,551 3,564 4,654 5,731 2,507)	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693 9,397 9,438 13,090 (57,486) (16,830)	hs En	ded July 2, 2023  203,581  45,231 32,449 9,580 11,341 (4,745) —
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory  Losses (gains) on investments  Gain on sale of business  Deferred taxes  Retirement plan actuarial losses (gains)	 186,273 25,573 14,935 4,631 3,261 2,624 (57,486) (7,161) (250)	July 2, 2023 \$ 120 13 4 5	0,050 2,551 3,564 4,654 5,731 2,507) — 5,937)	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693 9,397 9,438 13,090 (57,486) (16,830) (250)	hs En	ded July 2, 2023  203,581  45,231 32,449 9,580 11,341 (4,745) — (13,571) —
Total liabilities and shareholders' equity  CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory  Losses (gains) on investments  Gain on sale of business  Deferred taxes  Retirement plan actuarial losses (gains)  Other	 186,273 25,573 14,935 4,631 3,261 2,624 (57,486) (7,161) (250)	July 2, 2023 \$ 120 \$ 120 (5	0,050 2,551 3,564 4,654 5,731 2,507) — 5,937)	Jui 2	Six Mont ine 30, 2024 250,470 48,927 30,693 9,397 9,438 13,090 (57,486) (16,830) (250)	hs En	ded July 2, 2023  203,581  45,231 32,449 9,580 11,341 (4,745) — (13,571) —
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory  Losses (gains) on investments  Gain on sale of business  Deferred taxes  Retirement plan actuarial losses (gains)  Other  Changes in operating assets and liabilities	 186,273  25,573  14,935  4,631  3,261  2,624  (57,486)  (7,161)  (250)  453	July 2, 2023 \$ 120 \$ 120 (5)	0,050 2,551 3,564 4,654 5,731 2,507) — 5,937) — (201)	Jui 2	Six Montone 30, 2024  250,470  48,927 30,693 9,397 9,438 13,090 (57,486) (16,830) (250) 1,240	hs En	ded July 2, 2023  203,581  45,231 32,449 9,580 11,341 (4,745) — (13,571) — (92)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Condensed Consolidated Statements of Cash Flows (In thousands)  Condensed Consolidated Statements of Cash Flows (In thousands)  Condensed Consolidated Statements (In thousands)  Condensed Consolidated Statement (In thousands)  Condensed Consolidated Statement (In thousands)  Consolidated Statement (In tho	 186,273  25,573  14,935  4,631  3,261  2,624  (57,486)  (7,161)  (250)  453  (46,156)	July 2, 2023 \$ 120 \$ 120 (5)	0,050 2,551 3,564 4,654 5,731 2,507) — 5,937) — (201)	Jui 2	Six Montone 30, 2024  250,470  48,927 30,693 9,397 9,438 13,090 (57,486) (16,830) (250) 1,240  (54,211)	hs En	ded July 2, 2023  203,581  45,231 32,449 9,580 11,341 (4,745) — (13,571) — (92) (2,693)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)  Cash flows from operating activities:  Net income  Adjustments to reconcile net income to net cash provided by operating activities:  Depreciation  Stock-based compensation  Amortization  Provision for excess and obsolete inventory  Losses (gains) on investments  Gain on sale of business  Deferred taxes  Retirement plan actuarial losses (gains)  Other  Changes in operating assets and liabilities  Accounts receivable  Inventories	 186,273  25,573  14,935  4,631  3,261  2,624  (57,486)  (7,161)  (250)  453  (46,156)  24,034	July 2, 2023 \$ 120 \$ 120 (39) (14)	0,050 2,551 3,564 4,654 5,731 2,507) — 5,937) — (201) 9,897) 9,852	Jui 2	Six Montene 30, 2024  250,470  48,927 30,693 9,397 9,438 13,090 (57,486) (16,830) (250) 1,240  (54,211) 17,102	hs En	ded July 2, 2023  203,581  45,231 32,449 9,580 11,341 (4,745) — (13,571) — (92)  (2,693) (13,845)

4,183

(1,353)

(1,132)

216,069

(44,846)

(524,653)

(11,715)

87,172

12,420

(481,067)

(185,000)

(19,000)

(8,189)

555

(2,233)

(1,248)

(26,102)

142,767

(39,258)

(29,742)

14,529

27,648

(26,823)

(17,019)

(134,537)

164.1

% of Net

Revenues

% of Net

Revenues

15.6%

0.7%

0.6%

0.5%

0.0%

-0.1%

-0.4%

July 2,

2023

\$ 1,302.0

July 2,

2023

203.6

9.6

8.4

5.9

0.1

(1.9)

(5.3)

8.4

July 2,

1.2

6.4

\$

**Diluted** 

1.23

0.06

0.05

0.04

0.00

(0.01)

(0.03)

\_

**Basic** 

\$

1.31

0.06

0.05

0.04

0.00

(0.01)

(0.03)

2,739

(2,774)

2,622

223,348

(88,869)

(524,653)

(27,757)

87,172

26,858

21,289

(505,087)

(185,000)

(37,370)

(30,306)

873

(34,938)

(2,482)

(13,614)

162,104

(80,702)

(99,018)

35,577

21,997

(121,686)

(34,184)

(227,845)

460

Repurchase of common stock							3)	3,189)	(134,5	37) (3	30,306)		(227,845)	
Payments related to net settlement of er	mployee stoc	k compensatio	n awards					(319)	(4:	38) (*	13,434)		(20,308)	
Payments of convertible debt principal								_	(2,30	03)	_		(17,458)	
Proceeds from borrowings on revolving	credit facility						185	,000		_ 18	35,000		_	
Issuance of common stock under stock	purchase an	d stock option	plans				4	,902	60	02 2	21,836		16,599	
Net cash used for financing activities							(22	2,606)	(153,69	95) (5	59,274)		(283,196)	
Effects of exchange rate changes on cash a	nd cash equ	ivalents					2	2,105	1,7	51	5,346		1,213	
Decrease in cash and cash equivalents							(285	5,499)	(36,00	00) (33	35,667)		(241,565)	
Cash and cash equivalents at beginning of	period						707	,403	649,20	08 75	57,571		854,773	
Cash and cash equivalents at end of period							\$ 421	,904	\$ 613,20	08 \$ 42	21,904	\$	613,208	
GAAP to Non-GAAP Earnings Reconciliat (In millions, except per share amounts)	ion													
(iii millions, except per share amounts)							Quarter Ende	ed.						
		-lun	e 30,	% of Net	Ma	rch 31,	% of Net			July 2,		% 0	of Not	
			•	Revenues		2024	Revenues			2023		% of Net Revenues		
Net revenues		\$	729.9	nevenues	\$	599.8	Tievenues			\$ 684.4	1	1100		
Gross profit GAAP and non-GAAP		Ψ	425.8	58.3%	Ψ	339.3	56.6	0/2		402.5			58.8%	
Income from operations - GAAP			210.4	28.8%		77.8	13.0			139.9			20.4%	
Acquired intangible assets amortization			4.7	0.6%		4.7	0.8			4.8			0.7%	
Restructuring and other (1)			2.0	0.3%		4.4	0.7			6.4			0.9%	
Equity modification charge (2)				<b>0.5</b> /0		1.7	0.3			- -	_		<b>0.3</b> /0	
Gain on sale of business (3)			(57.5)	-7.9%		_	— —	70		_			_	
		\$	159.6	21.9%	\$	88.6	14.8	2/2		\$ 151.	1		22.1%	
Income from operations - non-GAAP		Ψ	155.0	21.5 /0	Ψ			70		ψ 151.	=			
			Net	Income			Net In	come			N	let Inc	ome	
			per Con	nmon Share			per Common Share		_		per Cor		on Share	
	June 30,	% of Net			March 31,	% of Net			July 2,	% of Net				
	2024	Revenues	Basic	Diluted	2024	Revenues	Basic	Diluted	2023	Revenues	Basi	С	Diluted	
Net income - GAAP	\$ 186.3	25.5%	\$ 1.18	\$ 1.14	\$ 64.2	10.7%	\$ 0.42	\$ 0.40	\$ 120.1	17.5%	\$ 0	).78	\$ 0.73	
Acquired intangible assets amortization	4.7	0.6%	0.03	0.03	4.7	0.8%	6 0.03	0.03	4.8	0.7%	0	0.03	0.03	
Restructuring and other (1)	2.0	0.3%	0.01	0.01	4.4	0.7%	6 0.03	0.03	6.4	0.9%	0	0.04	0.04	
Equity Modification Charge (2)	_	_	_	_	1.7	0.3%	6 0.01	0.01	_	_		_	_	
Pension mark-to-market adjustment (4)	(0.3)	0.0%	(0.00	0.00)	_	_	_	_	0.1	0.0%	0	0.00	0.00	
Loss (gain) on foreign exchange option	(4.2)	-0.6%	(0.03	3) (0.03)	13.9	2.3%	6 0.09	0.09	_	_		_	_	
Gain on sale of business (3)	(57.5)	-7.9%	(0.36	6) (0.35)	_	_	_	_	_	_		_	_	
Exclude discrete tax adjustments	10.5	1.4%	0.07	0.06	(2.2)	-0.4%	6 (0.01)	(0.01)	0.5	0.1%	0	0.00	0.00	
Non-GAAP tax adjustments	(1.5)	-0.2%	(0.01	(0.01)	(4.2)	-0.7%	(0.03)	(0.03)	(2.9)	-0.4%	(0	).02)	(0.02)	
Net income - non-GAAP	\$ 140.0	19.2%	\$ 0.89	\$ 0.86	\$ 82.5	13.8%	6 \$ 0.54	\$ 0.51	\$ 129.0	18.8%	\$ 0	0.83	\$ 0.79	
GAAP and non-GAAP weighted average														
common shares - basic	157.8				153.0				154.8					
GAAP weighted average common shares -	100 =				465.5				4045					
diluted (5)	163.5				162.3				164.8					
Exclude dilutive shares related to									(0.7)					
convertible note transaction									(0.7)					
Non-GAAP weighted average common	163.5				162.3				164 1					

162.3

**Quarter Ended** 

March 31,

2024

2.0

0.2

4.4

		Net I	ncome	1	Net Income
Income from operations - non-GAAP	\$ 248.1	18.7%	\$ 256.7	19.7%	
Loss (gain) on sale of business (3)	 (57.5)	-4.3%	<u></u> _	<u> </u>	
Equity modification charge (2)	1.7	0.1%	5.9	0.5%	
Restructuring and other (1)	6.4	0.5%	8.4	0.6%	
Acquired intangible assets amortization	9.4	0.7%	9.6	0.7%	
Income from operations - GAAP	288.1	21.7%	232.8	17.9%	
Gross profit GAAP and non-GAAP	765.1	57.5%	758.9	58.3%	

% of Net

Revenues

18.8%

0.7%

0.7%

0.5%

0.1%

0.0%

-4.3%

0.6%

-0.4%

\$

% of Net

Revenues

Net income - non-GAAP	\$ 222.6	16.7%	\$	1.43	\$	1.37	\$ 220.4		16.9%	\$ 1.42	\$ 1.34
GAAP and non-GAAP weighted average common shares -											
basic	155.4						155.3				
GAAP weighted average common shares - diluted (5)	162.9						165.5				
Exclude dilutive shares from convertible note	_						(0.8)				
Non-GAAP weighted average common shares - diluted	 162.9						164.7				
(1) Restructuring and other consists of:											
			Six M	onths End	ed						
	 June 30,						July 2,				
	2024						2023				
Employee severance	\$ 4.0						\$ 7.2	2			
Divestiture related expenses	2.2						_	-			
Other	0.2						1.2	2			

February 1, 2023, retirement. On May 27, 2024, Teradyne sold DIS, a component of the Semiconductor Test segment, to Technoprobe, for \$85.0 million, net of cash and cash equivalents sold and a working capital adjustment. For the six months ended June 30, 2024, and July 2, 2023, adjustments to exclude actuarial gains and losses, respectively, recognized under GAAP in accordance with Teradyne's mark-to-market pension accounting. For the six months ended June 30, 2024 and July 2, 2023, non-GAAP weighted average diluted common shares included 6.9 million and 8.9 million shares, respectively, from the convertible note hedge

6.4

transaction. **GAAP** to Non-GAAP Reconciliation of Third Quarter 2024 guidance:

\$

\$680 million to

0.62

0.03

0.02

(2) For the six months ended June 30, 2024, selling and administrative expenses included an equity charge of \$1.7 million for the modification of Teradyne's executives' retirement agreements. For the six

months ended April 2, 2023, selling and administrative expenses included an equity charge of \$5.9 million for the modification of Teradyne's retired CEO's outstanding equity awards in connection with his

GAAP and non-GAAP third quarter revenue guidance: GAAP net income per diluted share Exclude acquired intangible assets amortization Exclude equity method investment amortization

Non-GAAP tax adjustments		(0.01)		(0.01)	
Non-GAAP net income per diluted share	\$	0.66	\$	0.86	
For press releases and other information of interest to investors, please visit Terac	dyne's hon	nepage a	t http://ww	w.teradyne.com	

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Contacts

Teradyne, Inc.

**businesswire**