

**Texas Instruments Incorporated**  
**Reconciliation of Non-GAAP Financial Measures**

On April 22, 2013, we held a publicly webcast conference call with analysts to discuss our first quarter 2013 financial results and answer questions from the participants in the call. During the call we made the non-GAAP references discussed and reconciled to GAAP below. These were in addition to ones documented in the actual earnings release and also discussed during the call. We believe this information provides investors insight into our financial performance. These non-GAAP measures are supplemental to the comparable GAAP measures.

2012 free cash flow less Net income

**TEXAS INSTRUMENTS INCORPORATED**  
(Millions of dollars)

	<b>For the Twelve Months Ended Dec. 31, 2012</b>
Net income .....	\$ 1,759
Cash flow from operations (GAAP).....	\$ 3,414
Less Capital expenditures.....	495
Free cash flow (non-GAAP).....	\$ 2,919
Cash flow from operations less Net income (GAAP) .....	\$ 1,655
Free cash flow (non-GAAP) less Net income .....	\$ 1,160

Adjusted five-year average quarterly sequential revenue growth rate

During the call we made a non-GAAP reference to TI's five-year average quarterly sequential growth rate. This five-year average was calculated as including revenue reported by National Semiconductor (referred to as Silicon Valley Analog or SVA on the call) prior to the September 2011 acquisition by TI and excluding revenue associated with the Wireless segment by quarter over this five-year period.

The table below provides a reconciliation of this non-GAAP sequential growth rate to TI's sequential growth rate as prepared in accordance with GAAP.

**Texas Instruments Incorporated**  
**(Millions of dollars)**

**3Q vs. 2Q Five-Year Sequential Growth Rate Average**

**Revenue as reported (GAAP):**

	<u>For Three Months Ended June 30</u>	<u>For Three Months Ended Sept. 30</u>	<u>Sequential Growth Rate</u>
2012 .....	\$ 3,335	\$ 3,390	2%
2011 .....	3,458	3,466	0%
2010 .....	3,496	3,740	7%
2009 .....	2,457	2,880	17%
2008 .....	3,351	3,387	1%
Five-Year Sequential Growth Rate Average .....			<u>5%</u>

**Plus NSC revenue not included above:**

	<u>For Three Months Ended June 30</u>	<u>For Three Months Ended Sept. 30</u>
2012 .....	n/a	n/a
2011 .....	\$ 383	\$ 315
2010 .....	404	401
2009 .....	281	314
2008 .....	462	466

**Less Wireless revenue included in Revenue as reported (GAAP):**

	<u>For Three Months Ended June 30</u>	<u>For Three Months Ended Sept. 30</u>
2012 .....	\$ 342	\$ 325
2011 .....	558	580
2010 .....	727	767
2009 .....	614	691
2008 .....	920	934

**Revenue as adjusted (Non-GAAP):**

	<u>For Three Months Ended June 30</u>	<u>For Three Months Ended Sept. 30</u>	<u>Sequential Growth Rate</u>
2012 .....	\$ 2,993	\$ 3,065	2.4%
2011 .....	3,283	3,201	-2.5%
2010 .....	3,173	3,374	6.3%
2009 .....	2,124	2,503	17.8%
2008 .....	2,893	2,919	0.9%
Five-Year Sequential Growth Rate Average .....			<u>5.0%</u>
Rounded growth rate referenced in conference call.....			<u>5%</u>