

**Texas Instruments Incorporated**  
**Free Cash Flow (Non-GAAP Reconciliation)**  
(Millions of dollars)  
**Calculated as of June 30, 2020**

**Free cash flow and associated ratios**

Free cash flow was calculated by subtracting capital expenditures from cash flows from operating activities (also referred to as cash flow from operations). The table below provides a reconciliation of free cash flow to the most directly comparable GAAP measure.

	<b>For Three Months Ended June 30, 2020</b>	<b>For 12 Months Ended June 30,</b>		<b>Change</b>
		<b>2020</b>	<b>2019</b>	
Cash flow from operations (GAAP).....	\$ 1,720	\$ 6,317	\$ 7,154	(12)%
Capital expenditures.....	(130)	(603)	(1,228)	
Free cash flow (non-GAAP).....	<u>\$ 1,590</u>	<u>\$ 5,714</u>	<u>\$ 5,926</u>	(4)%
Revenue.....		<u>\$ 13,689</u>	<u>\$ 15,240</u>	
Cash flow from operations as a percentage of revenue (GAAP)...		46.1%	46.9%	
Free cash flow as a percentage of revenue (non-GAAP).....		41.7%	38.9%	