

Reconciliation of Non-GAAP Financial Measure

Texas Instruments Incorporated Reconciliation of Non-GAAP Financial Measures

On July 23, 2012, we held a publicly webcast conference call with analysts to discuss our second-quarter 2012 business results. During the call, we made a non-GAAP reference to TI's five-year average quarterly sequential growth rate, including revenue reported by National Semiconductor (referred to as Silicon Valley Analog or SVA on the conference call) prior to TI's September 2011 acquisition and excluding revenue associated with TI's baseband products.

We provided this non-GAAP measure to give investors additional insight into TI's underlying business conditions and results including or excluding some selected items. The tables below provide a reconciliation of this non-GAAP sequential growth rate to TI's average quarterly sequential growth rate as prepared in accordance with GAAP.



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

Revenue as reported (GAAP):

For Three Months Ended June 30	For Three Months Ended Sept. 30	Sequential Growth Rate
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2011	\$ 3,458	\$ 3,466	0%
2010	3,496	3,740	7%
2009	2,457	2,880	17%
2008	3,351	3,387	1%
2007	3,424	3,663	7%
Five-Year Sequential Growth Rate Average			6%

Plus NSC revenue not included above:

	For Three Months Ended June 30	For Three Months Ended Sept. 30
2011	\$ 383	\$ 315
2010	404	401
2009	281	314
2008	462	466
2007	456	472

Less Baseband revenue included in Revenue as reported (GAAP):

	For Three Months Ended June 30	For Three Months Ended Sept. 30
2011	\$ 228	\$ 263

2010	416	438
2009	410	450
2008	681	673
2007	788	857

Revenue as adjusted (Non-GAAP):

	For Three Months Ended June 30	For Three Months Ended Sept. 30	Sequential Growth Rate
2011	\$ 3,613	\$ 3,518	-3%
2010	3,484	3,703	6%
2009	2,328	2,744	18%
2008	3,132	3,180	2%
2007	3,092	3,278	6%
Five-Year Sequential Growth Rate Average			6%

