

Texas Instruments Incorporated
Free Cash Flow (Non-GAAP Reconciliation)
(In millions)
Calculated as of March 31, 2025

Free cash flow and associated ratios

Free cash flow was calculated as cash flows from operating activities (also referred to as cash flow from operations) less capital expenditures, plus proceeds from U.S. CHIPS and Science Act (CHIPS Act) incentives. The table below provides a reconciliation of free cash flow to the most directly comparable GAAP measure.

	For Three Months Ended March 31,	For 12 Months Ended March 31,		Change
	2025	2025	2024	
Cash flow from operations (GAAP)*	\$ 849	\$ 6,150	\$ 6,277	(2)%
Capital expenditures	(1,123)	(4,695)	(5,337)	
Proceeds from CHIPS Act incentives	260	260	—	
Free cash flow (non-GAAP)	<u>\$ (14)</u>	<u>\$ 1,715</u>	<u>\$ 940</u>	82 %
Revenue		<u>\$ 16,049</u>	<u>\$ 16,801</u>	
Cash flow from operations as a percentage of revenue (GAAP)		38.3%	37.4%	
Free cash flow as a percentage of revenue (non-GAAP)		10.7%	5.6%	

* Includes a cash benefit of \$588 million from the CHIPS Act investment tax credit used to reduce income taxes payable for the twelve months ended March 31, 2025.