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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): April 27, 2016**

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**TEXAS INSTRUMENTS INCORPORATED**  
(Exact name of registrant as specified in charter)

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**DELAWARE**  
(State or other jurisdiction  
of incorporation)

**001-03761**  
(Commission  
file number)

**75-0289970**  
(I.R.S. employer  
identification no.)

**12500 TI BOULEVARD  
DALLAS, TEXAS 75243**  
(Address of principal executive offices)

Registrant's telephone number, including area code: (214) 479-3773

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Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 2.02. Results of Operations and Financial Condition

The Registrant's news release dated April 27, 2016, regarding its first-quarter results of operations and financial condition is attached hereto as Exhibit 99.

The attached news release includes references to the following financial measures that were not prepared in accordance with generally accepted accounting principles in the United States (non-GAAP measures): free cash flow and ratios based on free cash flow. The company believes these non-GAAP measures provide insight into its liquidity, cash generating capability and the amount of cash potentially available to return to investors, as well as insight into its financial performance. These non-GAAP measures are supplemental to the comparable GAAP measures. Reconciliation to the most directly comparable GAAP measures is included in the "Non-GAAP financial information" section of the news release.

ITEM 9.01. Exhibits

<u>Designation of Exhibit in this Report</u>	<u>Description of Exhibit</u>
99	Registrant's News Release Dated April 27, 2016 (furnished pursuant to Item 2.02)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TEXAS INSTRUMENTS INCORPORATED

Date: April 27, 2016

By: /s/ Kevin P. March  
Kevin P. March  
Senior Vice President and  
Chief Financial Officer

## TI reports 1Q16 financial results and shareholder returns

Conference call on TI website at 4:30 p.m. Central time today

www.ti.com/ir

DALLAS (April 27, 2016) – Texas Instruments Incorporated (TI) (NASDAQ: TXN) today reported first-quarter revenue of \$3.01 billion, net income of \$668 million and earnings per share of 65 cents.

Regarding the company's performance and returns to shareholders, Rich Templeton, TI's chairman, president and CEO, made the following comments:

- “Revenue for the quarter was in the upper half of our expected range. Compared with a year ago, notable market activity for our products included continuing strength in automotive, as well as improvement in industrial and communications equipment. Revenue was down 5 percent due to weakness within the personal electronics market, which declined as expected.
- “Our core businesses of Analog and Embedded Processing comprised 87 percent of first-quarter revenue. From a year ago, Analog revenue declined 8 percent while Embedded Processing revenue grew 8 percent. Operating margin increased in both businesses.
- “Gross margin of 60.6 percent was a new record, reflecting the quality of our product portfolio, as well as the efficiency of our manufacturing strategy, including the benefit of 300-millimeter Analog production.
- “Our cash flow from operations once again underscored the strength of our business model. Free cash flow for the trailing 12 months was up 1 percent from a year ago to \$3.7 billion. This represents 28.4 percent of revenue, up from 27.3 percent a year ago, and is consistent with our targeted range of 20-30 percent of revenue.
- “We have returned \$4.2 billion to shareholders in the past 12 months through stock repurchases and dividends.
- “Our strategy to return to shareholders 100 percent of free cash flow plus proceeds from exercises of equity compensation minus net debt retirement reflects our confidence in the long-term sustainability of our business model.
- “Our balance sheet remains strong with \$2.8 billion of cash and short-term investments at the end of the quarter, 80 percent of which was owned by the company's U.S. entities. Inventory ended the quarter at 137 days.
- “TI's second-quarter outlook is for revenue in the range of \$3.07 billion to \$3.33 billion, and earnings per share between 67 and 77 cents. For 2016, TI's annual effective tax rate is expected to be about 30 percent, unchanged from previous guidance.”

*Free cash flow is a non-GAAP financial measure. Free cash flow is cash flow from operations less capital expenditures.*

### Earnings summary

*Amounts are in millions of dollars, except per-share amounts.*

	1Q16	1Q15	Change
Revenue	\$ 3,008	\$ 3,150	-5%
Operating profit	\$ 968	\$ 958	1%
Net income	\$ 668	\$ 656	2%
Earnings per share	\$ 0.65	\$ 0.61	7%

### Cash generation

*Amounts are in millions of dollars.*

	1Q16	Trailing 12 Months		Change
		1Q16	1Q15	
Cash flow from operations	\$ 547	\$ 4,206	\$ 4,039	4%
Capital expenditures	\$ 124	\$ 552	\$ 431	28%
Free cash flow	\$ 423	\$ 3,654	\$ 3,608	1%
Free cash flow % of revenue		28.4%	27.3%	

Capital expenditures for the past 12 months were 4 percent of revenue, consistent with TI's long-term expectations.

**Cash return**

Amounts are in millions of dollars.

	1Q16	Trailing 12 Months		
		1Q16	1Q15	Change
Dividends paid	\$ 383	\$ 1,471	\$ 1,354	9%
Stock repurchases	\$ 630	\$ 2,701	\$ 2,781	-3%
Total cash returned	\$ 1,013	\$ 4,172	\$ 4,135	1%

The company's targeted cash return is 100 percent of free cash flow plus proceeds from exercises of equity compensation minus net debt retirement.

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**TEXAS INSTRUMENTS INCORPORATED AND SUBSIDIARIES**  
**Consolidated Statements of Income**  
(Millions of dollars, except share and per-share amounts)

	For Three Months Ended March 31,	
	2016	2015
Revenue	\$ 3,008	\$ 3,150
Cost of revenue (COR)	1,184	1,334
Gross profit	1,824	1,816
Research and development (R&D)	326	338
Selling, general and administrative (SG&A)	448	439
Acquisition charges	80	83
Restructuring charges/other	2	(2)
Operating profit	968	958
Other income (expense), net (OI&E)	4	4
Interest and debt expense	22	22
Income before income taxes	950	940
Provision for income taxes	282	284
Net income	<u>\$ 668</u>	<u>\$ 656</u>
Diluted earnings per common share	<u>\$ .65</u>	<u>\$ .61</u>
Average diluted shares outstanding (millions)	<u>1,018</u>	<u>1,061</u>
Cash dividends declared per common share	<u>\$ .38</u>	<u>\$ .34</u>
As a result of accounting rule ASC 260, which requires a portion of Net income to be allocated to unvested restricted stock units (RSUs) on which we pay dividend equivalents, diluted EPS is calculated using the following:		
Net income	\$ 668	\$ 656
Income allocated to RSUs	(9)	(9)
Income allocated to common stock for diluted EPS	<u>\$ 659</u>	<u>\$ 647</u>

**TEXAS INSTRUMENTS INCORPORATED AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
(Millions of dollars, except share amounts)

	March 31,	
	2016	2015
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,281	\$ 1,242
Short-term investments	1,519	2,062
Accounts receivable, net of allowances of (\$11) and (\$12)	1,269	1,394
Raw materials	105	107
Work in process	888	906
Finished goods	812	831
Inventories	1,805	1,844
Prepaid expenses and other current assets	785	810
Total current assets	6,659	7,352
Property, plant and equipment at cost	5,290	6,177
Accumulated depreciation	(2,736)	(3,419)
Property, plant and equipment, net	2,554	2,758
Long-term investments	220	232
Goodwill, net	4,362	4,362
Acquisition-related intangibles, net	1,503	1,822
Deferred income taxes	175	170
Capitalized software licenses, net	53	73
Overfunded retirement plans	84	128
Other assets	76	95
Total assets	\$ 15,686	\$ 16,992
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Current portion of long-term debt	\$ 1,249	\$ 1,000
Accounts payable	387	432
Accrued compensation	340	349
Income taxes payable	67	75
Accrued expenses and other liabilities	377	426
Total current liabilities	2,420	2,282
Long-term debt	2,869	3,628
Underfunded retirement plans	195	253
Deferred income taxes	38	63
Deferred credits and other liabilities	382	397
Total liabilities	5,904	6,623
Stockholders' equity:		
Preferred stock, \$25 par value. Authorized – 10,000,000 shares		
Participating cumulative preferred – None issued	—	—
Common stock, \$1 par value. Authorized – 2,400,000,000 shares		
Shares issued – 1,740,815,939	1,741	1,741
Paid-in capital	1,558	1,410
Retained earnings	31,457	29,948
Treasury common stock at cost		
Shares: March 31, 2016 – 734,244,179; March 31, 2015 – 696,401,920	(24,443)	(22,199)
Accumulated other comprehensive income (loss), net of taxes (AOCI)	(531)	(531)
Total stockholders' equity	9,782	10,369
Total liabilities and stockholders' equity	\$ 15,686	\$ 16,992

**TEXAS INSTRUMENTS INCORPORATED AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
(Millions of dollars)

	For Three Months Ended March 31,	
	2016	2015
<b>Cash flows from operating activities</b>		
Net income	\$ 668	\$ 656
Adjustments to Net income:		
Depreciation	161	203
Amortization of acquisition-related intangibles	80	80
Amortization of capitalized software	8	13
Stock-based compensation	72	78
Gains on sales of assets	—	(1)
Deferred income taxes	24	1
Increase (decrease) from changes in:		
Accounts receivable	(100)	(154)
Inventories	(114)	(60)
Prepaid expenses and other current assets	43	54
Accounts payable and accrued expenses	(104)	(108)
Accrued compensation	(322)	(294)
Income taxes payable	131	147
Changes in funded status of retirement plans	18	19
Other	(18)	(25)
Cash flows from operating activities	<u>547</u>	<u>609</u>
<b>Cash flows from investing activities</b>		
Capital expenditures	(124)	(123)
Proceeds from asset sales	—	1
Purchases of short-term investments	(200)	(335)
Proceeds from short-term investments	900	615
Other	(3)	—
Cash flows from investing activities	<u>573</u>	<u>158</u>
<b>Cash flows from financing activities</b>		
Dividends paid	(383)	(356)
Stock repurchases	(630)	(670)
Proceeds from common stock transactions	131	246
Excess tax benefit from share-based payments	43	56
Cash flows from financing activities	<u>(839)</u>	<u>(724)</u>
Net change in Cash and cash equivalents	281	43
Cash and cash equivalents at beginning of period	1,000	1,199
Cash and cash equivalents at end of period	<u>\$ 1,281</u>	<u>\$ 1,242</u>



## 1Q16 segment results

Amounts are in millions of dollars.

	1Q16	1Q15	Change
<b>Analog:</b>			
Revenue	\$ 1,879	\$ 2,035	-8%
Operating profit	\$ 679	\$ 721	-6%
<b>Embedded Processing:</b>			
Revenue	\$ 729	\$ 672	8%
Operating profit	\$ 182	\$ 123	48%
<b>Other:</b>			
Revenue	\$ 400	\$ 443	-10%
Operating profit*	\$ 107	\$ 114	-6%

\* Includes Acquisition charges and Restructuring charges/other.

Compared with the year-ago quarter:

**Analog:** (includes High Volume Analog & Logic, Power Management, High Performance Analog and Silicon Valley Analog)

- Revenue decreased primarily due to High Volume Analog & Logic. Power Management and High Performance Analog also declined, while Silicon Valley Analog grew.
- Operating profit decreased primarily due to lower revenue, which was partially offset by lower manufacturing costs and a higher percentage of more profitable products.

**Embedded Processing:** (includes Microcontrollers, Processors and Connectivity)

- Revenue increased in all three product lines, led by Processors.
- Operating profit increased primarily due to higher revenue and associated gross profit, as well as lower operating expenses.

**Other:** (includes DLP® products, calculators, custom ASIC products and royalties)

- Revenue declined primarily due to custom ASIC products.
  - Operating profit decreased by \$7 million.
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**Non-GAAP financial information**

This release includes references to free cash flow and ratios based on that measure. These are financial measures that were not prepared in accordance with GAAP. Free cash flow was calculated by subtracting Capital expenditures from the most directly comparable GAAP measure, Cash flows from operating activities (also referred to as cash flow from operations).

The company believes that free cash flow and the associated ratios provide insight into its liquidity, its cash-generating capability and the amount of cash potentially available to return to investors, as well as insight into its financial performance. These non-GAAP measures are supplemental to the comparable GAAP measures.

Reconciliation to the most directly comparable GAAP-based measures is provided in the table below.

Amounts are in millions of dollars.

	For 12 Months Ended March 31,		Change
	2016	2015	
Cash flow from operations (GAAP)	\$ 4,206	\$ 4,039	4 %
Capital expenditures	(552)	(431)	
Free cash flow (non-GAAP)	<u>\$ 3,654</u>	<u>\$ 3,608</u>	1 %
Revenue	<u>\$ 12,858</u>	<u>\$ 13,212</u>	
Cash flow from operations as a percent of revenue (GAAP)	32.7 %	30.6 %	
Free cash flow as a percent of revenue (non-GAAP)	28.4 %	27.3 %	

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**Notice regarding forward-looking statements**

This release includes forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by phrases such as TI or its management “believes,” “expects,” “anticipates,” “foresees,” “forecasts,” “estimates” or other words or phrases of similar import. Similarly, statements herein that describe TI’s business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those in forward-looking statements.

We urge you to carefully consider the following important factors that could cause actual results to differ materially from the expectations of TI or its management:

- Market demand for semiconductors, particularly in TI’s end markets;
  - TI’s ability to compete in products and prices in an intensely competitive industry;
  - Losses or curtailments of purchases from key customers and the timing and amount of distributor and other customer inventory adjustments;
  - Customer demand that differs from forecasts and the financial impact of inadequate or excess TI inventory that results from demand that differs from projections;
  - TI’s ability to maintain or improve profit margins, including its ability to utilize its manufacturing facilities at sufficient levels to cover its fixed operating costs, in an intensely competitive and cyclical industry;
  - TI’s ability to develop, manufacture and market innovative products in a rapidly changing technological environment;
  - Economic, social and political conditions in the countries in which TI, its customers or its suppliers operate, including security risks, health conditions, possible disruptions in transportation, communications and information technology networks and fluctuations in foreign currency exchange rates;
  - Natural events such as severe weather, geological events or health epidemics in the locations in which TI, its customers or its suppliers operate;
  - Breaches of TI’s information technology systems or those of its customers or suppliers;
  - Availability and cost of raw materials, utilities, manufacturing equipment, third-party manufacturing services and manufacturing technology;
  - Timely implementation of new manufacturing technologies and installation of manufacturing equipment, and the ability to obtain needed third-party foundry and assembly/test subcontract services;
  - TI’s ability to maintain and enforce a strong intellectual property portfolio and obtain needed licenses from third parties, expiration of license agreements between TI and its patent licensees, and market conditions reducing royalty payments to TI;
  - Compliance with or changes in the complex laws, rules and regulations to which TI is or may become subject, or actions of enforcement authorities, that restrict TI’s ability to manufacture its products or operate its business, or subject us to fines, penalties, or other legal liability;
  - Product liability or warranty claims, claims based on epidemic or delivery failure, or other claims relating to TI products, manufacturing, services, design or communications, or recalls by TI customers for a product containing a TI part;
  - Changes in the tax rate applicable to TI as the result of changes in tax law, the jurisdictions in which profits are determined to be earned and taxed, adverse resolution of tax audits and the ability to realize deferred tax assets;
  - Financial difficulties of distributors or their promotion of competing product lines to TI’s detriment;
  - A loss suffered by a customer or distributor of TI with respect to TI-consigned inventory;
  - Instability in the global credit and financial markets that affects TI’s ability to fund its daily operations, invest in the business, make strategic acquisitions, or make principal and interest payments on its debt;
  - Increases in health care and pension benefit costs;
  - TI’s ability to recruit and retain skilled personnel;
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- TI's ability to successfully integrate and realize opportunities for growth from acquisitions, and its ability to realize its expectations regarding the amount and timing of restructuring charges and associated cost savings; and
- Impairments of TI's non-financial assets.

For a more detailed discussion of these factors, see the Risk Factors discussion in Item 1A of TI's Form 10-K for the year ended December 31, 2015. The forward-looking statements included in this release are made only as of the date of this release, and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances.

### **About Texas Instruments**

Texas Instruments Incorporated (TI) is a global semiconductor design and manufacturing company that develops analog ICs and embedded processors. By employing the world's brightest minds, TI creates innovations that shape the future of technology. TI is helping more than 100,000 customers transform the future, today. Learn more at [www.ti.com](http://www.ti.com).

TI trademarks:

DLP

Other trademarks are the property of their respective owners.