

Texas Instruments Incorporated
Non-GAAP Reconciliation
(Millions of dollars, except share amounts)
Calculated as of December 31, 2021

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.

	For Three Months Ended December 31, 2021	For Years Ended December 31,		Change
		2021	2020	
Cash flow from operations (GAAP)	\$ 2,357	\$ 8,756	\$ 6,139	43%
Capital expenditures	(1,282)	(2,462)	(649)	
Free cash flow (non-GAAP)	<u>\$ 1,075</u>	<u>\$ 6,294</u>	<u>\$ 5,490</u>	15%
Revenue	<u>\$ 4,832</u>	<u>\$ 18,344</u>	<u>\$ 14,461</u>	
Cash flow from operations as a percentage of revenue (GAAP) ..		47.7%	42.5%	
Free cash flow as a percentage of revenue (non-GAAP)		34.3%	38.0%	

	For Years Ended December 31,				
	2004	2005	2006	2007	2008
Cash flow from operations (GAAP)	2,974	3,680	2,560	4,529	3,352
Capital expenditures	(1,260)	(1,288)	(1,272)	(686)	(763)
Free cash flow (non-GAAP)	<u>1,714</u>	<u>2,392</u>	<u>1,288</u>	<u>3,843</u>	<u>2,589</u>
Dividends paid	154	173	199	425	537
Stock repurchases	753	4,151	5,302	4,886	2,122
Cash returned	<u>907</u>	<u>4,324</u>	<u>5,501</u>	<u>5,311</u>	<u>2,659</u>
Average basic shares outstanding, in millions ...	1,730	1,640	1,528	1,417	1,308

	For Years Ended December 31,				
	2009	2010	2011	2012	2013
Cash flow from operations (GAAP)	2,647	3,839	3,334	3,483	3,514
Capital expenditures	(753)	(1,199)	(816)	(495)	(412)
Free cash flow (non-GAAP)	<u>1,894</u>	<u>2,640</u>	<u>2,518</u>	<u>2,988</u>	<u>3,102</u>
Dividends paid	567	592	644	819	1,175
Stock repurchases	954	2,454	1,973	1,800	2,868
Cash returned	<u>1,521</u>	<u>3,046</u>	<u>2,617</u>	<u>2,619</u>	<u>4,043</u>
Average basic shares outstanding, in millions ...	1,260	1,199	1,151	1,132	1,098

	For Years Ended December 31,				
	2014	2015	2016	2017	2018
Cash flow from operations (GAAP).....	4,054	4,397	4,614	5,363	7,189
Capital expenditures.....	(385)	(551)	(531)	(695)	(1,131)
Free cash flow (non-GAAP).....	<u>3,669</u>	<u>3,846</u>	<u>4,083</u>	<u>4,668</u>	<u>6,058</u>
Dividends paid.....	1,323	1,444	1,646	2,104	2,555
Stock repurchases.....	2,831	2,741	2,132	2,556	5,100
Cash returned.....	<u>4,154</u>	<u>4,185</u>	<u>3,778</u>	<u>4,660</u>	<u>7,655</u>
Average basic shares outstanding, in millions....	1,065	1,030	1,003	991	970

	For Years Ended December 31,		
	2019	2020	2021
Cash flow from operations (GAAP).....	6,649	6,139	8,756
Capital expenditures.....	(847)	(649)	(2,462)
Free cash flow (non-GAAP).....	<u>5,802</u>	<u>5,490</u>	<u>6,294</u>
Dividends paid.....	3,008	3,426	3,886
Stock repurchases.....	2,960	2,553	527
Cash returned.....	<u>5,968</u>	<u>5,979</u>	<u>4,413</u>
Average basic shares outstanding, in millions....	936	921	923