

Texas Instruments Incorporated
Free Cash Flow (Non-GAAP Reconciliation)
(Millions of dollars)
Calculated as of June 30, 2015

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 June 30, 2015	For 12 Months Ended June 30,		Change
		2015	2014	
Cash flow from operations (GAAP)	\$ 820	\$ 4,084	\$ 3,587	14%
Capital expenditures	(125)	(476)	(388)	
Free cash flow (non-GAAP)	<u>\$ 695</u>	<u>\$ 3,608</u>	<u>\$ 3,199</u>	13%
Revenue		<u>\$ 13,152</u>	<u>\$ 12,547</u>	
Cash flow from operations as a percent of revenue (GAAP)		31%	29%	
Free cash flow as a percent of revenue (non-GAAP)		27%	25%	