

Texas Instruments Incorporated
Free Cash Flow (Non-GAAP Reconciliation)
(Millions of dollars)
Calculated as of September 30, 2020

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 September 30, 2020	For 12 Months Ended September 30,		Change
		2020	2019	
Cash flow from operations (GAAP).....	\$ 1,443	\$ 5,768	\$ 7,040	(18)%
Capital expenditures.....	(146)	(600)	(1,007)	
Free cash flow (non-GAAP).....	<u>\$ 1,297</u>	<u>\$ 5,168</u>	<u>\$ 6,033</u>	(14)%
Revenue.....		<u>\$ 13,735</u>	<u>\$ 14,750</u>	
Cash flow from operations as a percentage of revenue (GAAP)...		42.0%	47.7%	
Free cash flow as a percentage of revenue (non-GAAP).....		37.6%	40.9%	