

## Supplemental Non-GAAP Financial Information

In addition to disclosing results determined in accordance with GAAP, NI discloses certain non-GAAP operating results and non-GAAP information that exclude certain charges. In this annual report, NI has presented its non-GAAP revenue, gross margin, operating income, and operating margin for the 12-month periods ending Dec. 31, 2021 and 2020, which exclude, as applicable, charges related to stock-based compensation expense, acquisition-related fair value adjustments, amortization of acquisition-related intangibles, acquisition-related transaction and integration costs, taxes levied on the transfer of acquired intellectual property, foreign exchange loss on acquisitions, restructuring charges, tax reform charges, disposal gains on buildings and related charitable contributions, tax effects related to businesses held-for-sale, gain on sale of businesses, and capitalization and amortization of internally developed software costs. NI presents these non-GAAP results as a complement to its GAAP results, and they should not be regarded as a substitute for GAAP. When presenting non-GAAP results, NI includes a reconciliation of the non-GAAP results to the GAAP results. Such reconciliation is set forth in the following table.

### Reconciliation of GAAP to Non-GAAP Revenue, Gross Margin, Operating Income, and Operating Margin (in thousands USD except percentage data) (unaudited)

REVENUE	2021	2020
Net sales, as reported	1,469,681	1,286,671
Impact of acquisition-related fair value adjustments	2,324	3,260
Non-GAAP net sales	1,472,005	1,289,931
GROSS MARGIN	2021	2020
Gross profit, as reported	1,048,718	915,550
Stock-based compensation	4,580	3,766
Amortization of acquisition-related intangibles and fair value adjustments	21,715	13,152
Acquisition transaction and integration costs, restructuring charges, and other	(25)	1,626
Amortization of internally developed software costs	23,674	27,931
Non-GAAP gross profit	1,098,662	962,025
Non-GAAP gross margin	74.6%	74.6%
OPERATING MARGIN	2021	2020
Operating income, as reported	118,165	199,550
Stock-based compensation	74,712	58,375
Amortization of acquisition-related intangibles and fair value adjustments	32,227	19,356
Acquisition transaction and integration costs, restructuring charges, and other	27,092	61,358
Net amortization/(capitalization) of internally developed software costs	22,241	23,888
Gain on sale of business/asset <sup>1</sup>	-	(159,753)
Non-GAAP operating income	274,437	202,774
Non-GAAP operating margin	18.6%	15.7%

<sup>1</sup> DURING THE FIRST QUARTER OF 2020, WE RECOGNIZED A GAIN OF \$160 MILLION RELATED TO THE DIVESTITURE OF AWR, PRESENTED WITHIN "GAIN ON SALE OF BUSINESS/ASSETS."