2022
NI Investor Conference
SEPTEMBER 15
Safe Harbor Warning

Forward-Looking Statements

During today's presentation, we expect to make forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements in this presentation regarding the company’s strategy and long-term model, value proposition, goals, priorities, anticipated revenues, anticipated demand, growth opportunities, customer needs, capital allocation, future product offerings, anticipated financial condition, anticipated GAAP and non-GAAP financial targets, goals and expectations, successful integration of acquisitions and future results of acquired companies, the anticipated strengths and expected growth of the markets the company sells into, and future operations and earnings are forward-looking statements. Forward-looking statements can also be identified by words such as “anticipate,” “plan,” “estimate,” “expect,” “intend,” “forecast,” “target,” “believe,” “outlook,” “prospect,” or future or conditional verbs such as “will,” “should,” “would,” “may,” “can,” or “could.” These statements are subject to a number of risks and uncertainties, and actual results may differ materially from any future results expressed or implied by the forward-looking statements. Risks and uncertainties include without limitation: the global shortage of key components; effect of the global economic and geopolitical conditions; our international operations and foreign economies; adverse public health matters, including epidemics and pandemics such as the COVID-19 pandemic; our ability to effectively manage our partners and distribution channels; interruptions in our technology systems or cyber-attacks on our systems; the dependency of our product revenue on certain industries and the risk of contractions in such industries; concentration of credit risk and uncertain conditions in the global financial markets; our ability to compete in markets that are highly competitive; our ability to release successful new products or achieve expected returns; the risk that our manufacturing capacity and a substantial majority of our warehousing and distribution capacity are located outside of the U.S.; our dependence on key suppliers and distributors; longer delivery lead times from our suppliers; risk of product liability claims; dependence on our proprietary rights and risks of intellectual property litigation; the continued service of key management, technical personnel and operational employees; our ability to comply with environmental laws and associated costs; our ability to maintain our website; the risks of bugs, vulnerabilities, errors or design flaws in our products; our restructuring activities; our exposure to large orders; our shift to more system orders; our ability to effectively manage our operating expenses and meet budget; fluctuations in our quarterly results due to factors outside of our control; our outstanding debt; seasonal variation in our revenues; our ability to comply with laws and regulations; changes in tax rates and exposure to additional tax liabilities; our ability to make certain acquisitions or dispositions, integrate the companies we acquire or separate the companies we sold and/or enter into strategic relationships; risks related to currency fluctuations; and provisions in charter documents and Delaware law that delay or prevent our acquisition. The company directs readers to its Form 10-K for the year ended December 31, 2021, and the other documents it files with the SEC for other risks associated with the company’s future performance. These documents contain and identify important factors that could cause our actual results to differ materially from those contained in our forward-looking statements. All information in this presentation is as of September 15, 2022 (except as otherwise specified). We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in our expectations.

Non-GAAP Information

In today's presentation, we have included certain non-GAAP financial measures, including revenue, gross margin, operating expenses, diluted earnings per share, operating margin, and operating income. Our non-GAAP measures exclude, as applicable, the impact of purchase accounting fair value adjustments, stock-based compensation, amortization of acquisition-related intangibles, acquisition-related transaction and integration costs, taxes levied on the transfer of acquired intellectual property, foreign exchange gain/loss on acquisitions, restructuring charges, tax reform charges, disposal gain/loss on buildings and related charitable contributions, tax effects related to businesses held for sale, gain/loss on sale of business, impairment losses on equity-method investments, and capitalization and amortization of internally developed software costs. A reconciliation of the adjustments to GAAP financial measures is included on our website at ni.com/ni at the Non-GAAP Reconciliations link. For periods prior to March 31, 2005, our non-GAAP financial measures are the same as our GAAP results. Certain non-GAAP financial measures presented on a forward-looking basis during today's presentation, such as non-GAAP operating margin, were not reconciled to the comparable GAAP financial measures because the reconciliation could not be performed without unreasonable efforts due to the unpredictability of the amounts and timing of events affecting the items we exclude from non-GAAP measures. Non-GAAP financial information is not meant as a substitute for GAAP results, but is included because management believes such information is useful to our investors for informational and comparative purposes. In addition, certain non-GAAP financial information is used internally by management to evaluate and manage the company. The non-GAAP financial information used by NI may differ from that used by other companies. These non-GAAP measures should be considered in addition to, and not as a substitute for, the results prepared in accordance with GAAP.
## Agenda

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<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker/Position</th>
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</thead>
<tbody>
<tr>
<td>10:00 AM – 10:30 AM</td>
<td><strong>Our Strategy</strong></td>
<td>Eric Starkloff, President and CEO</td>
</tr>
<tr>
<td>10:30 AM – 11:00 AM</td>
<td><strong>Growth Through Focus</strong></td>
<td>Ritu Favre, Executive Vice President, Industry Specific Business Units</td>
</tr>
<tr>
<td>11:00 AM – 11:20 AM</td>
<td><strong>Platform Leverage And Scale</strong></td>
<td>Jason Green, Chief Revenue Officer and Executive Vice President, Portfolio Business Unit</td>
</tr>
<tr>
<td>11:20 AM – 11:40 AM</td>
<td><strong>Financial Momentum</strong></td>
<td>Karen Rapp, CFO</td>
</tr>
<tr>
<td>11:40 AM – 12:00 PM</td>
<td><strong>Live Q&amp;A</strong></td>
<td></td>
</tr>
<tr>
<td>12:00 PM – 1:30 PM</td>
<td><strong>Lunch and Roundtable Discussions</strong></td>
<td></td>
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Key Themes

- Relentless Focus On Transformation since 2017 Has Strengthened Results
- Well Positioned Portfolio in Attractive High Growth Sub-Segments
- Continued Leverage and Scale with Improving Recurring Revenue
- Momentum On Our Side, Confident about Our Financial Future
Eric Starkloff
PRESIDENT AND CEO
Our Strategy
Diverse Business to Fuel Long-Term Growth & Resiliency

35,000+ CUSTOMERS WORLDWIDE

OUR STRATEGY

40+ COUNTRIES WITH NI OPERATIONS

~7,000 GLOBAL EMPLOYEES

Q2 2022 Revenue

SOFTWARE AND RELATED SERVICES
20% OF TOTAL REVENUE

CHANNEL REVENUE PROFILE
70% DIRECT
30% NON-DIRECT

PRODUCTION
VALIDATION

35%
24%
29%
29%
17%
17%

SEMICONDUCTOR & ELECTRONICS
TRANSPORTATION
AEROSPACE, DEFENSE, & GOVERNMENT
PORTFOLIO (ALL OTHER INDUSTRIES)

Q2 2022
Q2 2022 Revenue

20% OF TOTAL REVENUE

70% DIRECT
30% NON-DIRECT

ni.com
What Truly Differentiates NI?

Our hardware and software solutions help customers constantly evolve and bring state-of-the-art electronic components to market faster and at a lower cost.

We provide flexible and modular system-level test solutions that meet the current and future requirements of our customers.

Our industry standard open and interoperable software offering enables customers to automate their test processes in increasingly complex and fast changing end markets.
Key Themes

- Relentless Focus On Transformation since 2017 Has Strengthened Results
- Well Positioned Portfolio in Attractive High Growth Sub-Segments
- Continued Leverage and Scale with Improving Recurring Revenue
- Momentum On Our Side, Confident about Our Financial Future
Challenge in 2016

Revenue Flat, Non-GAAP Operating Income at 12%
Transformation Accelerating Revenue and Earnings Growth

Trajectory Change in Revenue and Earnings

'23: REVENUE RANGE OF $1.85B - $2.05B

'22: REVENUE RANGE OF $1.65B - $1.74B
Deliberate Business Transformation

**OUR STRATEGY**

**INORGANIC TRANSFORMATION**

- Aligning to secular trends, adding differentiated technologies, and increasing exposure to recurring revenue
- Reduce cyclicality, lower exposure to margin dilutive businesses, sharpening NI’s strategic focus, and aligning with business unit concentration

**ORGANIC TRANSFORMATION**

- GTM and Channel:
  - Streamline Sales Force
  - Grow Top Accounts
- Industry Focus:
  - Align to Secular Growth Trends
- Systems and Solutions:
  - Expand SAM
- Software Value:
  - Grow Recurring Revenue
- Opex Optimization:
  - Target 25% Non-GAAP Operating Margin

**MOMENTUM IS NOW ON OUR SIDE AND IT IS TIME FOR US TO CAPITALIZE**
Our Mix Has Become More Favorable to Growth

### Target Industries
- **2017**: 43% Industry Specific BUs, 57% Portfolio BU
- **2022 TARGET**: 30% Industry Specific BUs, 70% Portfolio BU
- **2025 TARGET**: 26% Industry Specific BUs, 74% Portfolio BU

### Growth Applications
- **2017**: 12% Growth Apps, 88% Rest of Business
- **2022 TARGET**: 38% Growth Apps, 62% Rest of Business
- **2025 TARGET**: 50% Growth Apps, 50% Rest of Business

### Tier 1 Accounts
- **2017**: 71% Tier 1, 29% Other
- **2022 TARGET**: 62% Tier 1, 38% Other
- **2025 TARGET**: 50% Tier 1, 50% Other

**NOTE**
TARGET INDUSTRIES, TIER 1 ACCOUNTS AND GROWTH APPLICATIONS BASED ON BOOKINGS
The New NI: Higher Growth, More Profitable, and Less Cyclical

Peak to Trough Revenue Change

-20% -18% 0% 2% 4% 6% 8% 10% 12% 14% 16% 18%

2008-2009 GFC* 2015-2016 MANUFACTURING RECESSION 2020 COVID

Trough Non-GAAP Operating Margin

0% 5% 10% 15% 20% 25%

2009 GFC* 2016 MANUFACTURING RECESSION 2020 COVID 2023 TARGET

*GFC: GLOBAL FINANCIAL CRISES

More Resilient and Less Cyclical
## Delivering on Our Outlook

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2023 Original Outlook</th>
<th>2022 Outlook</th>
<th>2023 Target</th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$1.3B</td>
<td>$1.7B</td>
<td>9% CAGR 2020-2023 $1.7B</td>
<td>13%-17% CAGR 2020-2023 $1.85-2.05B</td>
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<tr>
<td>Non-GAAP Gross Margin</td>
<td>75%</td>
<td>71% (SUPPLY CHAIN IMPACT)</td>
<td>75%</td>
<td>73% (SUPPLY CHAIN IMPACT)</td>
</tr>
<tr>
<td>Operating Expense as % of Revenue</td>
<td>59%</td>
<td>51%</td>
<td>55%</td>
<td>50%</td>
</tr>
<tr>
<td>Non-GAAP Operating Margin</td>
<td>16%</td>
<td>20%</td>
<td>20%</td>
<td>23%</td>
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</tbody>
</table>

Current 2023 Target Ahead of Plan Set in 2020
### Resiliency and Scale in the Business Model

<table>
<thead>
<tr>
<th></th>
<th>2022 Target</th>
<th>2025 Model</th>
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<tbody>
<tr>
<td><strong>Non-GAAP Gross Margin</strong></td>
<td>71%</td>
<td>74%</td>
</tr>
<tr>
<td><strong>R&amp;D</strong></td>
<td>19%</td>
<td>18-19%</td>
</tr>
<tr>
<td><strong>SG&amp;A</strong></td>
<td>32%</td>
<td>30-31%</td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Margin</strong></td>
<td>20%</td>
<td>25%</td>
</tr>
</tbody>
</table>

~40% Flow Through
Ritu Favre

EXECUTIVE VICE PRESIDENT,
INDUSTRY SPECIFIC BUSINESS UNITS
Growth through Focus
Focus on Industry Inflections Drives Growth Above Macro Indicators

LONG-TERM GROWTH EXPECTATIONS

1. **Semiconductor and Electronics**
   - **Market Growth**: 2% (2022-2025)
   - **Revenue CAGR Goal**: 10-15% (2022-2025)
   - *IC Insights–ISEMI CAPEX (excluding memory/foundry) + Electronics*

2. **Transportation**
   - **Market Growth**: 5% (2022-2025)
   - **Revenue CAGR Goal**: 15-20% (2022-2025)
   - *IHS–Global Vehicle Production*

3. **Aerospace, Defense, and Government**
   - **Market Growth**: 4% (2022-2025)
   - **Revenue CAGR Goal**: 6-9% (2022-2025)
   - *Strategy Analytics–Global Defense Expenditures*

4. **Portfolio Business**
   - **Market Growth**: 4% (2022-2025)
   - **Revenue CAGR Goal**: 3-6% (2022-2025)
   - *Combined View of Frost & Sullivan, Internal NI*

**Digital Transformation**

**Focus on Industry Inflections Drives Growth Above Macro Indicators**

**Long-Term Growth Expectations**

**2020**

**2025 Target**
Continuing to Expand SAM through 2025

$6.5B  INDUSTRY SPECIFIC BU SAM + $2.5B  PORTFOLIO BU SAM = ~$9B  SAM 2025

Grow Share Through Target Account and Application Focus

Scale Share Through Channel Reach and Platform Leverage

+14%  REVENUE CAGR 2022-2025  +5%  REVENUE CAGR 2022-2025

+ $1B  SAM GROWTH 2022-2025
Growth through Focus on Top Accounts and Applications

All BUs

INDUSTRY SPECIFIC BUs

- 70% of total NI bookings in 2022
- +16% growth from 2019 to 2022

SEBU
PBU
ADG
TBU

Tier 1 Accounts

- 48% of 2025F NI bookings from Tier 1 accounts
- +17% growth from 2019 to 2025F CAGR

High Growth Applications

- +20% growth from 2019 to 2025F CAGR
- 29% to 50% bookings from growth applications

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Megatrends Drive Opportunities

**SECULAR TRENDS**
- 5G
- Transportation
- Aerospace, Defense, and Government

**INDUSTRY**
- Semiconductor and Electronics
- Transportation
- Aerospace, Defense, and Government

**TECHNOLOGY INFLECTION**
- 5G and Beyond
- Wi-Fi 7 & UWB
- ADAS/Autonomous Vehicles
- Electric Vehicles
- Cognitive Systems
- Digital Transformation
- Sensor Fusion

**EXAMPLE OPPORTUNITIES**
- **+10%**
  - 3-YEAR RF/WIRELESS SAM CAGR
- **+25%**
  - 3-YEAR ELECTRIC VEHICLE SAM CAGR
- **+7%**
  - 3-YEAR ELECTRONIC WARFARE SAM CAGR
### Why Technology Inflections Matter

<table>
<thead>
<tr>
<th>SECULAR TRENDS</th>
<th>INDUSTRY</th>
<th>TECHNOLOGY INFLECTION</th>
<th>CUSTOMER PAIN POINTS</th>
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<tbody>
<tr>
<td>5G</td>
<td>Semiconductor and Electronics</td>
<td>5G and Beyond Wi-Fi 7 &amp; UWB</td>
<td>New Measurement Requirements</td>
</tr>
<tr>
<td></td>
<td>Transportation</td>
<td>ADAS/Autonomous Vehicles Electric Vehicles</td>
<td>Faster Time-to-Market Expectations</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Poor Data Utilization</td>
</tr>
<tr>
<td></td>
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<td>Lower Capital Equipment Budgets</td>
</tr>
</tbody>
</table>
NI’s Sustainable Differentiation

Accelerate our Customers’ **Time-to-market** with Software and Systems that Enable Faster Automation, Deeper Product Insight, and More Robust Data Collection and Management

CUSTOMER PRODUCT DEVELOPMENT WORKFLOW

- Design
- Validation
- Production

SOFTWARE PORTFOLIO

- Specification Management
- Measurement IP
- Data Management & Analytics
- Interactive Measurements
- Automated Test Sequencing
- Systems & Asset Management
- Connectivity to 3rd Party Software

SOFTWARE-CONNECTED TEST SYSTEMS

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NI’s Sustainable Differentiation

CUSTOMER PRODUCT DEVELOPMENT WORKFLOW

Design
- Integration with 3rd Party EDA Tools

Validation
- Manufacturing-Grade Speed in the Lab
- System Management and Product Analytics Across Lifecycle

Production
- R&D-Grade Accuracy in Manufacturing

NI’s Unique Value

Customer Benefits
- Faster Time to Market
- Improved Product Quality
- Lower Operational Cost
Accelerating 5G Time-to-Market

“By standardizing on NI hardware and software – we’ve been able to significantly reduce RFIC characterization times.”

GAURAV VERMA
SENIOR DIRECTOR OF ENGINEERING
QUALCOMM TECHNOLOGIES, INC.

Customer Value
QUALCOMM

ACCELERATE
PRODUCT CHARACTERIZATION

IMPROVE
PRODUCT QUALITY
Additional Secular Trends in Semiconductor and Electronics

5G & Beyond
Demand driven by sub-6 GHz 5G, and Wi-Fi 7
Stay ahead of mmWave, UWB, WiFi7, and 6G research

Connected Workflow
Time-to-market driving global standardization from lab to fab
Engage with top chipmakers to evolve software & standardization approach

Industry Fab Investments
Increased government incentive for new foundry capabilities
Help customers reduce wafer cost with faster test throughput

Power Electronics
SiC/GaN/IGBT market potential continues to grow at high double-digit rate
Accelerate roadmap to stay ahead of key power requirements

OUR STRATEGY
Driving EV Product Performance

Customer Value
GM

1000’s of hours saved per project

Maintain vendor independence

“NI is helping us reduce risk, perform our engineering work more efficiently, and give us a faster time to insights and decisions”

STEVE TARNOWSKY
DIRECTOR, GLOBAL BATTERY CELL ENGINEERING
GENERAL MOTORS
NI Investments in EV Test

Battery Test System

End-to-End Battery Test
NI Investments in EV Test

Battery Test System

End-to-End Battery Test

Enable scalable high-power test at a lower integration cost

Deliver large scale deployments of battery test laboratories
Maximizing EW Quality and Reliability

“NI and Hensoldt have partnered together, using SystemLink, to create a smarter, more connected fleet of test assets to help us maximize product performance and ensure the mission readiness of our customers.”

TEMUR KARBASSIOUN
HEAD OF CUSTOMER SERVICES
HENSOLDT SENSORS, GMBH
Growth through Focus
Well-Positioned Portfolio Allows Us to Pursue Attractive **High-Growth Applications**

Shift Go-To-Market to Enhance Share of Wallet at **Large Accounts**

**Align Roadmaps** to Secular Growth Trends to Accelerate Growth

Create Flexible, Modular, and Open Systems

Enhance Software Differentiation through New Capabilities in **Product Analytics**
Jason Green

CHIEF REVENUE OFFICER
EXECUTIVE VICE PRESIDENT,
PORTFOLIO BUSINESS UNIT
Leverage and Scale Driving Profitable Growth
1. **Profit**
   Improvements with NI’s New Channel Strategy

2. **Growth**
   Leveraging Our Platform in New, Modern Ways

3. **Improved Resiliency**
   by Increasing Software Subscription
1. Profit Improvements with NI’s New Channel Strategy
2. Growth Leveraging Our Platform in New, Modern Ways
3. Improved Resiliency by Increasing Software Subscription
Historical Approach

SINGLE TIER FOR ALL ACCOUNTS
Historical Approach
TIER 1

TIER 2

TIER 3
~100 High-Potential Accounts Field Coverage

Target Customer Segments Inside Coverage

Geography-Based Inside Coverage

TIER 1 & 2

82% INCREASED AVERAGE DEAL SIZE

147% INCREASED PIPELINE

157% INCREASED WON OPPORTUNITIES

2017-2022
Tiered Direct Sales Model Tier 1 & 2 + New Channel Strategy Tier 3

TIER 1
~100 High-Potential Accounts Field Coverage

TIER 2
Target Customer Segments Inside Coverage

TIER 3
Distribution and Digital

32%
SG&A AS PERCENTAGE OF REVENUE
TARGET SG&A % IN 2022 AHEAD OF PLAN

26%
SALES AND MARKETING REVENUE/HEADCOUNT PRODUCTIVITY IMPROVEMENT
2020-2021
“Avnet is proud that Farnell has been selected as NI’s first full-service global distribution partner. The relationship is having a powerful impact for NI and Farnell, with NI’s focus on customizable solutions and software adding value to our mutual customers.”

PHIL GALLAGHER
AVNET CHIEF EXECUTIVE OFFICER
Enabling Self-Service and Reducing Support Costs with Leading Digital Experience

2X
TRAFFIC VS COMPETITION

91%
TECHNICAL SUPPORT CASES HANDLED DIGITALLY
Improving Profit through Distribution and Digital

Tiered Direct Sales Model Tier 1 & 2

+ New Channel Strategy Tier 3

~100 High-Potential Accounts Field Coverage

Target Customer Segments Inside Coverage

Distribution and Digital

23%
HIGHER CONTRIBUTION MARGIN THAN DIRECT

22%
NON-DIRECT AVERAGE GROWTH SINCE Q1 2021
1. Profit Improvements with NI’s New Channel Strategy

2. Growth: Leveraging Our Platform in New, Modern Ways

3. Improved Resiliency by Increasing Software Subscription
Leveraging Platform for Growth in New, Modern Ways
NI Platform Helped Philips Reduce Development Time by 80%.
“We consider NI DAQ hardware the industry standard for production test applications. The close integration with NI software ensures ready access to our coverage requirements.”

CHRISTIAN WOLF
GLOBAL MANUFACTURING TEST MANAGER, GN AUDIO

2.5X
TEST COVERAGE INCREASE

MILLIONS
PRODUCTS TESTED
Simplifying Platform to Scale

REDUCTION IN TIME-TO MEASUREMENT

6 HOURS  →  45 MINUTES
Leveraging Platform for Growth in New, Modern Ways

25%

2 YEAR
NI BOOKINGS CAGR
1. Profit Improvements with NI’s New Channel Strategy

2. Growth Leveraging Our Platform in New, Modern Ways

3. Improved Resiliency by Increasing Software Subscription
Software Differentiation and Leadership
Software Differentiation and Leadership

Open Software Platform

- Python
- C#
- MATLAB™
- DMMs
- Scopes
- Digitizers
Software Differentiation and Leadership
NI Software Delivers Performance through Standardization

50% REDUCTION IN VALIDATION TIME

17% INCREASE IN MANUFACTURING YIELD

33% REDUCTION IN MAINTENANCE COST

“A smarter product requires smarter test equipment”
Improving Resiliency with Software Subscription

+85% AUGUST 2022
RECURRING SOFTWARE

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NI Strategy Drives Business Resiliency

$500M Annual Recurring Revenue Goal in 2025

20% CAGR 2022-2025

Annual Recurring Revenue

ARR INCLUDES SOFTWARE + RECURRING SOFTWARE SERVICES AND HARDWARE SERVICES
1. **Profit**  
   Improvements with NI’s New Channel Strategy

2. **Growth**  
   Leveraging Our Platform in New, Modern Ways

3. **Improved Resiliency**  
   by Increasing Software Subscription
Karen Rapp
CFO
Financial Transformation
Business Transformation Driving Financial Momentum

✓ Revenue Growth Above the Market
   Mid-to-high single digit CAGR through 2025
   Continue to grow share over the next 3 years

✓ 500 bps of Improvement in Non-GAAP
   Operating Margin Over the Next 3 Years
   25% Non-GAAP operating margin by 2025

✓ Resiliency and Scale Built into the Business
   Cash generation and solid shareholder returns
Business Transformation Driving Financial Momentum

Revenue Growth Above the Market
- Mid-to-high single digit CAGR through 2025
- Continue to grow share over the next 3 years

500 bps of Improvement in Non-GAAP Operating Margin Over the Next 3 Years
- 25% Non-GAAP operating margin by 2025

Resiliency and Scale Built into the Business
- Cash generation and solid shareholder returns
Strong Demand, Ahead of Revenue Goals

Book-to-Bill

<table>
<thead>
<tr>
<th>Q1 21</th>
<th>Q2 21</th>
<th>Q3 21</th>
<th>Q4 21</th>
<th>Q1 22</th>
<th>Q2 22</th>
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<tr>
<td>1.11</td>
<td>1.15</td>
<td>1.12</td>
<td>1.07</td>
<td>1.19</td>
<td>1.18</td>
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JUNE 30, 2022 ~8 WEEKS LEAD-TIME

*MARKET EXPECTATION AS OF JULY 27, 2022
Focused Investment Strategy Enables Share Growth in a Large and Growing End Market

NI Revenue Growth Year-over-Year

~10% OF $17B NI ADDRESSABLE MARKET LAST 6 QUARTERS OF SHARE GAINS

RF/Wireless
EV/ADAS
Software
Broad Base Applications

Focused and Sustained R&D Investment to Enable Growth > The Market

Total NI R&D
2016-2021 ~20% OF REVENUE
2022-2025 18-19% OF REVENUE

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Path to Double-Digit Revenue Growth in 2023 Across a Range of Macro Scenarios

**Tailwinds**

- Full-year of 2022 EV acquisitions, plus growth synergy from the combination
- Full-year of 2022 price increases, plus 2023 price increases
- Distribution inventory stocking

**Plus**

- Ability to moderate backlog as supply constraints ease

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**Potential Scenarios**

<table>
<thead>
<tr>
<th>Global GDP</th>
<th>’23 Bookings YoY</th>
<th>Tailwinds</th>
<th>Backlog Change</th>
<th>Revenue Growth YoY</th>
<th>Ending Lead-Time Assumption</th>
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</thead>
<tbody>
<tr>
<td><strong>Recession</strong></td>
<td>-5%</td>
<td>$60-$90</td>
<td>($110M)-($140M)</td>
<td>13%-15%</td>
<td>3-4 WEEKS</td>
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<tr>
<td><strong>Slowdown</strong></td>
<td>0%</td>
<td>$70-$90</td>
<td>($70M)-($90M)</td>
<td>15%-17%</td>
<td>4-5 WEEKS</td>
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<tr>
<td><strong>Modest Growth</strong></td>
<td>5%</td>
<td>$70-$90</td>
<td>($30M)-($50M)</td>
<td>18%-20%</td>
<td>5-6 WEEKS</td>
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<tr>
<td><strong>Continued Growth</strong></td>
<td>10%</td>
<td>$70-$100</td>
<td>FLAT to GROW</td>
<td>&gt;20%</td>
<td>6-7 WEEKS</td>
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## Focus Areas Enable Mid-To-High Single Digit Revenue CAGR through 2025

<table>
<thead>
<tr>
<th>Area</th>
<th>2020 ACTUALS</th>
<th>2022 FORECAST*</th>
<th>2022-2025 3-YEAR CAGR GOAL</th>
<th>2025 LOW</th>
<th>2025 HIGH</th>
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<tbody>
<tr>
<td><strong>Semiconductor</strong></td>
<td>326</td>
<td>430-450</td>
<td>10-15%</td>
<td>~570</td>
<td>~680</td>
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<tr>
<td><strong>Transportation</strong></td>
<td>167</td>
<td>300-320</td>
<td>15-20%</td>
<td>~450</td>
<td>~550</td>
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<tr>
<td><strong>Aerospace, Defense, and Government</strong></td>
<td>343</td>
<td>410-440</td>
<td>6-9%</td>
<td>~490</td>
<td>~570</td>
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<td><strong>Portfolio</strong></td>
<td>453</td>
<td>510-530</td>
<td>3-6%</td>
<td>~560</td>
<td>~630</td>
</tr>
</tbody>
</table>

### Portfolio
**ALL OTHER INDUSTRIES**

| Total NI (Revenue $M) | $1.3B | ~1.7B | MSD-HSD = SHARE GAINS | ~$2.1B 7% CAGR | ~$2.4B 13% CAGR |

*ACTUAL REVENUE MIX MAY FLUCTUATE BASED ON COMPONENT AVAILABILITY*
Business Transformation Driving Financial Momentum

✅ Revenue Growth Above the Market
  Mid-to-high single digit CAGR through 2025
  Continue to grow share over the next 3 years

✅ 500 bps of Improvement in Non-GAAP Operating Margin Over the Next 3 Years
  25% Non-GAAP operating margin by 2025

✅ Resiliency and Scale Built into the Business
  Cash generation and solid shareholder returns
## Reset Our Financial Baseline for Profit Expansion

### Customer Value Creation Offset by Temporary Supply Crisis
- **Non-GAAP Gross Margin**
  - 2016A (% of Revenue): 77%
  - 2022F (% of Revenue): 71%
  - '16-'22F Improvement: -6%

### Increasing R&D Effectiveness
- **R&D**
  - 2016A (% of Revenue): 21%
  - 2022F (% of Revenue): 19%
  - Improvement: +2%

### Continued Channel Optimization and G&A Cost Management
- **SG&A**
  - 2016A (% of Revenue): 44%
  - 2022F (% of Revenue): 32%
  - Improvement: +12%

### Non-GAAP Operating Margin
- 2016A (% of Revenue): 12%
- 2022F (% of Revenue): 20%
- Improvement: +8%

---

**Temporary GM Headwinds**
- Broker Purchases
- Freight

**R&D Leverage**
- Segmenting/Platform
- Emerging Locations

**Sales Channel Optimization**
- Tier 1 Potential
- Distribution
- Self-Service

**Variable Cost Structure**
- Employee Compensation
- External Resources

**Cost structure that enables scale with revenue growth**
Supply Chain Status

Supplier lead-times are long but stabilizing, with fewer pushouts and improving commits.

Still gated by some “golden screw” materials, leveraging broker purchasing to bridge gaps.

Continue to have competitive lead-times, and existing order loss due to lead-time <1%.

Key Actions Taken: Inventory build, product re-designs, supplier escalations, alternative suppliers.

The majority of broker fees will be amortized across product shipments in 2022, ~$70M

Broker Purchase Price Variance ($M in COGS)

ESTIMATES ASSUME EASING IN SUPPLY CONSTRAINTS STARTING 2H 2022.
Temporary Non-GAAP Gross Margin Headwinds Become Tailwinds

Expect Non-GAAP Gross Margin to Return to Mid-70’s

2022 AND 2023 ESTIMATES

ni.com
## Momentum + Tailwinds + Operating Leverage

<table>
<thead>
<tr>
<th>Metric</th>
<th>2016</th>
<th>2022 Target</th>
<th>2025 Model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$1.2B</td>
<td>$1.7B</td>
<td>MSD-HSD 2023-2025</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Margin</strong></td>
<td>77%</td>
<td>71%</td>
<td>74%</td>
</tr>
<tr>
<td><strong>R&amp;D Spend as % of Revenue</strong></td>
<td>21%</td>
<td>19%</td>
<td>18-19%</td>
</tr>
<tr>
<td><strong>SG&amp;A Spend as % of Revenue</strong></td>
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<td>32%</td>
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✓ Resiliency and Scale Built into the Business
  Cash generation and solid shareholder returns
Converting Non-GAAP Net Income to Cash

Cash Flow From Operations, Targeting 100% Conversion of Non-GAAP Net Income

History of Strong Cash Generation

$1.1B
CASH FLOW GENERATED FROM OPERATIONS 2016-2020

131%
CONVERSION OF NON-GAAP NET INCOME TO CASH FLOW FROM OPERATIONS 2016-2020
Balanced Capital Allocation

Investing in Growth and Returning Excess Cash to Shareholders

1H 2022
Return To Shareholders

- Revenue Growth > Market
- Dividend of $74M
- Share Repurchases of $70M

Cash Priorities

- Organic growth through R&D
- Growth acceleration through inorganic investments
- Return capital through dividend
- Share repurchase to offset dilution

Return To Shareholders

Revenue Growth > Market
Dividend of $74M
Share Repurchases of $70M
Growth Acceleration through M&A

Lenses for Consideration

1. Industry-Specific Business Units
   Tuck-ins to accelerate growth strategy
   Opportunity to expand SAM via IP and expertise

2. Corporate Platform
   Technology/software to enhance differentiation
   Sold into multiple industries

Operational Alignment

Customer footprint, Channel fit

Company culture alignment, ability to retain key talent

Manufacturing and supply chain leverage

Financial Criteria

Make vs Buy financial criteria

Willing to leverage our strong balance sheet for the right opportunity
Business Transformation Driving Financial Momentum

 ✓ Revenue Growth Above the Market
   Mid-to-high single digit CAGR through 2025
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 ✓ Resiliency and Scale Built into the Business
   Cash generation and solid shareholder returns
Eric Starkloff
PRESIDENT AND CEO
## Corporate Impact Strategy

### Change the Faces of Engineering
- Diverse Representation
- Diverse Leadership
- Inclusive Company
- Diversify STEM Pipeline
- STEM Education

### Build an Equitable and Thriving Society
- Pay Equity
- Employee Engagement
- Employee Wellbeing
- Supplier Equity & Diversity
- Giving & Volunteering

### Engineer a Healthy Planet
- Climate Neutrality
- Circular Product Design
- Zero Waste
- LEED & WELL Buildings
- Sustainable Innovation

---

**Change the Faces of Engineering**

**Build an Equitable and Thriving Society**

**Engineer a Healthy Planet**

---

**Build an Equitable and Thriving Society**

- Pay Equity
- Employee Engagement
- Employee Wellbeing
- Supplier Equity & Diversity
- Giving & Volunteering

**Engineer a Healthy Planet**

- Climate Neutrality
- Circular Product Design
- Zero Waste
- LEED & WELL Buildings
- Sustainable Innovation
Key Themes

- Relentless Focus On Transformation since 2017 Has Strengthened Results
- Well Positioned Portfolio in Attractive High Growth Sub-Segments
- Continued Leverage and Scale with Improving Recurring Revenue
- Momentum On Our Side, Confident about Our Financial Future
Engineer
Ambitiously