

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 28, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 001-06462

TERADYNE, INC.

(Exact name of registrant as specified in its charter)

Massachusetts
(State or Other Jurisdiction of
Incorporation or Organization)

600 Riverpark Drive, North Reading,
Massachusetts
(Address of Principal Executive Offices)

04-2272148
(I.R.S. Employer
Identification No.)

01864
(Zip Code)

978-370-2700

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.125 per share	TER	Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
Smaller reporting company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the registrant's only class of Common Stock as of October 27, 2025, was 156,608,303 shares.

TERADYNE, INC.

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PART I

Item 1: Financial Statements

TERADYNE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 28, 2025	December 31, 2024
	(in thousands, except per share amount)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 272,700	\$ 553,354
Marketable securities	25,017	46,312
Accounts receivable, less allowance for credit losses of \$1,886 and \$2,111 at September 28, 2025 and December 31, 2024, respectively	593,800	471,426
Inventories, net	366,752	298,492
Prepayments	469,240	429,086
Other current assets	22,649	17,727
Total current assets	1,750,158	1,816,397
Property, plant and equipment, net	569,939	508,171
Operating lease right-of-use assets, net	62,442	70,185
Marketable securities	129,658	124,121
Deferred tax assets	253,455	222,438
Retirement plans assets	12,702	11,994
Equity method investment	538,001	494,494
Other assets	73,118	49,620
Acquired intangible assets, net	54,708	15,927
Goodwill	519,550	395,367
Total assets	<u>\$ 3,963,731</u>	<u>\$ 3,708,714</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 227,850	\$ 134,792
Accrued employees' compensation and withholdings	203,850	204,991
Deferred revenue and customer advances	133,050	107,710
Other accrued liabilities	138,717	90,777
Operating lease liabilities	19,026	18,699
Short-term debt	200,000	—
Income taxes payable	72,496	67,610
Total current liabilities	994,989	624,579
Retirement plans liabilities	142,680	133,338
Long-term deferred revenue and customer advances	43,887	40,505
Deferred tax liabilities	6,890	1,038
Long-term other accrued liabilities	8,285	7,442
Long-term operating lease liabilities	49,725	57,922
Long-term incomes taxes payable	—	24,596
Total liabilities	<u>1,246,456</u>	<u>889,420</u>
Commitments and contingencies (Note S)		
SHAREHOLDERS' EQUITY		
Common stock, \$0.125 par value, 1,000,000 shares authorized; 157,245 and 161,722 shares issued and outstanding at September 28, 2025, and December 31, 2024, respectively	19,656	20,215
Additional paid-in capital	1,973,415	1,909,538
Accumulated other comprehensive loss (gain)	37,422	(81,220)
Retained earnings	686,782	970,761
Total shareholders' equity	<u>2,717,275</u>	<u>2,819,294</u>
Total liabilities and shareholders' equity	<u>\$ 3,963,731</u>	<u>\$ 3,708,714</u>

The accompanying notes, together with the Notes to Consolidated Financial Statements included in Teradyne's Annual Report on Form 10-K for the year ended December 31, 2024, are an integral part of the condensed consolidated financial statements.

TERADYNE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(in thousands, except per share amount)		(in thousands, except per share amount)	
Revenues:				
Products	\$ 632,104	\$ 612,871	\$ 1,716,718	\$ 1,668,181
Services	137,106	124,427	389,969	398,815
Total revenues	769,210	737,298	2,106,687	2,066,996
Cost of revenues:				
Cost of products	270,634	253,129	727,198	704,129
Cost of services	49,270	47,655	141,834	161,228
Total cost of revenues (exclusive of acquired intangible assets amortization shown separately below)	319,904	300,784	869,032	865,357
Gross profit	449,306	436,514	1,237,655	1,201,639
Operating expenses:				
Selling and administrative	169,144	157,649	484,182	461,307
Engineering and development	124,760	117,474	361,331	332,489
Acquired intangible assets amortization	3,514	4,748	11,820	14,108
Restructuring and other	6,585	4,578	23,472	11,018
Gain on sale of business	—	—	—	(57,486)
Total operating expenses	304,003	284,449	880,805	761,436
Income from operations	145,303	152,065	356,850	440,203
Non-operating (income) expense:				
Interest income	(3,191)	(5,076)	(12,618)	(19,658)
Interest expense	1,309	808	2,909	2,998
Other (income) expense, net	(915)	(2,651)	2,875	5,574
Income before income taxes and equity in net earnings of affiliate	148,100	158,984	363,684	451,289
Income tax provision	23,344	12,260	50,148	54,095
Income before equity in net earnings of affiliate	124,756	146,724	313,536	397,194
Equity in net earnings of affiliate	(5,198)	(1,075)	(16,709)	(1,075)
Net income	\$ 119,558	\$ 145,649	\$ 296,827	\$ 396,119
Net income per common share:				
Basic	\$ 0.75	\$ 0.89	\$ 1.85	\$ 2.51
Diluted	\$ 0.75	\$ 0.89	\$ 1.85	\$ 2.42
Weighted average common shares—basic	158,595	163,002	160,021	157,951
Weighted average common shares—diluted	159,097	164,253	160,409	163,357

The accompanying notes, together with the Notes to Consolidated Financial Statements included in Teradyne's Annual Report on Form 10-K for the year ended December 31, 2024, are an integral part of the condensed consolidated financial statements.

TERADYNE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(in thousands)		(in thousands)	
Net income	\$ 119,558	\$ 145,649	\$ 296,827	\$ 396,119
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment, net of tax of \$0, \$0, \$0, and \$0, respectively	(4,351)	37,838	117,966	22,751
Available-for-sale marketable securities:				
Unrealized (losses) gains on marketable securities arising during period, net of tax of \$201, \$609, \$316, and \$205, respectively	739	2,507	1,324	885
Less: Reclassification adjustment for (gains) losses included in net income, net of tax of \$0, \$(2), \$27, \$24, respectively	—	(7)	89	86
	739	2,500	1,413	971
Cash flow hedges:				
Unrealized (losses) gains arising during period, net of tax of \$0, \$(73), \$(109), and \$285, respectively	—	(260)	(381)	1,014
Less: Reclassification adjustment for losses (gains) included in net income, net of tax of \$0, \$0, \$(100), and \$(500), respectively	—	—	(350)	(1,780)
	—	(260)	(731)	(766)
Defined benefit post-retirement plan:				
Amortization of prior service credit, net of tax of \$0, \$0, \$(1), and \$(1), respectively	(2)	(2)	(6)	(6)
Other comprehensive income (loss)	(3,614)	40,076	118,642	22,950
Comprehensive income	<u>\$ 115,944</u>	<u>\$ 185,725</u>	<u>\$ 415,469</u>	<u>\$ 419,069</u>

The accompanying notes, together with the Notes to Consolidated Financial Statements included in Teradyne's Annual Report on Form 10-K for the year ended December 31, 2024, are an integral part of the condensed consolidated financial statements.

TERADYNE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)

	Shareholders' Equity					
	Common Stock Shares	Common Stock Par Value	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Shareholders' Equity
	(in thousands)					
For the Three Months Ended September 28, 2025						
Balance, June 29, 2025	159,210	\$ 19,901	\$ 1,941,501	\$ 41,036	\$ 834,863	\$ 2,837,301
Net issuance of common stock under stock-based plans	206	26	14,958			14,984
Stock-based compensation expense			16,956			16,956
Repurchase of common stock	(2,171)	(271)			(248,640)	(248,911)
Cash dividends (\$0.12 per share)					(18,999)	(18,999)
Net income					119,558	119,558
Other comprehensive income (loss)				(3,614)		(3,614)
Balance, September 28, 2025	<u>157,245</u>	<u>\$ 19,656</u>	<u>\$ 1,973,415</u>	<u>\$ 37,422</u>	<u>\$ 686,782</u>	<u>\$ 2,717,275</u>
For the Three Months Ended September 29, 2024						
Balance, June 30, 2024	161,802	\$ 20,225	\$ 1,865,351	\$ (44,104)	\$ 889,340	\$ 2,730,812
Net issuance of common stock under stock-based plans	130	17	14,966			14,983
Stock-based compensation expense			15,999			15,999
Warrant exercises	1,223	153	(155)			(2)
Repurchase of common stock	(196)	(25)			(25,376)	(25,401)
Cash dividends (\$0.12 per share)					(19,574)	(19,574)
Net income					145,649	145,649
Other comprehensive income (loss)				40,076		40,076
Balance, September 29, 2024	<u>162,959</u>	<u>\$ 20,370</u>	<u>\$ 1,896,161</u>	<u>\$ (4,028)</u>	<u>\$ 990,039</u>	<u>\$ 2,902,542</u>

	Shareholders' Equity					
	Common Stock Shares	Common Stock Par Value	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Shareholders' Equity
	(in thousands)					
For the Nine Months Ended September 28, 2025						
Balance, December 31, 2024	161,722	\$ 20,215	\$ 1,909,538	\$ (81,220)	\$ 970,761	\$ 2,819,294
Net issuance of common stock under stock-based plans	655	82	14,741			14,823
Stock-based compensation expense			49,136			49,136
Repurchase of common stock	(5,132)	(641)			(523,208)	(523,849)
Cash dividends (\$0.36 per share)					(57,598)	(57,598)
Net income					296,827	296,827
Other comprehensive income (loss)				118,642		118,642
Balance, September 28, 2025	<u>157,245</u>	<u>\$ 19,656</u>	<u>\$ 1,973,415</u>	<u>\$ 37,422</u>	<u>\$ 686,782</u>	<u>\$ 2,717,275</u>
For the Nine Months Ended September 29, 2024						
Balance, December 31, 2023	152,698	\$ 19,087	\$ 1,827,274	\$ (26,978)	\$ 706,514	\$ 2,525,897
Net issuance of common stock under stock-based plans	720	91	23,340			23,431
Stock-based compensation expense			46,817			46,817
Warrant exercises	10,036	1,254	(1,270)			(16)
Repurchase of common stock	(495)	(62)			(55,630)	(55,692)
Cash dividends (\$0.36 per share)					(56,964)	(56,964)
Net income					396,119	396,119
Other comprehensive income (loss)				22,950		22,950
Balance, September 29, 2024	<u>162,959</u>	<u>\$ 20,370</u>	<u>\$ 1,896,161</u>	<u>\$ (4,028)</u>	<u>\$ 990,039</u>	<u>\$ 2,902,542</u>

The accompanying notes, together with the Notes to Consolidated Financial Statements included in Teradyne's Annual Report on Form 10-K for the year ended December 31, 2024, are an integral part of the condensed consolidated financial statements.

TERADYNE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended	
	September 28, 2025	September 29, 2024
	(in thousands)	
Cash flows from operating activities:		
Net income	\$ 296,827	\$ 396,119
Adjustments to reconcile net income from operations to net cash provided by operating activities:		
Depreciation	79,484	74,480
Stock-based compensation	47,561	45,267
Equity in net earnings of affiliate	16,709	1,075
Losses (gains) on investments	(4,722)	10,139
Provision for excess and obsolete inventory	19,175	15,516
Amortization	12,723	14,133
Gain on sale of business	—	(57,486)
Deferred taxes	(29,100)	(26,261)
Retirement plan losses (gains)	(673)	(2,512)
Other	3,344	(5,041)
Changes in operating assets and liabilities, net of businesses acquired:		
Accounts receivable	(111,787)	(65,266)
Inventories	(34,618)	11,127
Prepayments and other assets	(22,599)	61,438
Accounts payable and other liabilities	121,447	(63,666)
Deferred revenue and customer advances	25,652	3,624
Retirement plans contributions	(6,986)	(4,169)
Income taxes	(19,661)	(18,898)
Net cash provided by operating activities	392,776	389,619
Cash flows from investing activities:		
Purchases of property, plant and equipment	(161,121)	(140,710)
Acquisition of businesses, net of cash acquired	(144,380)	—
Purchase of investment in a business	(25,519)	(527,060)
Purchases of marketable securities	(27,465)	(35,097)
Proceeds from the sale of a business, net of cash and cash equivalents sold	—	90,348
Proceeds from maturities of marketable securities	41,621	33,163
Proceeds from sales of marketable securities	9,172	23,600
Proceeds from insurance	—	873
Net cash used for investing activities	(307,692)	(554,883)
Cash flows from financing activities:		
Proceeds from borrowings on revolving credit facility	200,000	185,000
Repayments of borrowings on revolving credit facility	—	(185,000)
Dividend payments	(57,574)	(56,936)
Repurchase of common stock	(518,658)	(55,053)
Payments related to net settlement of employee stock compensation awards	(15,254)	(13,833)
Issuance of common stock under stock purchase and stock option plans	30,076	37,265
Net cash used for financing activities	(361,410)	(88,557)
Effects of exchange rate changes on cash and cash equivalents	(4,328)	6,286
Decrease in cash and cash equivalents	(280,654)	(247,535)
Cash and cash equivalents at beginning of period	553,354	757,571
Cash and cash equivalents at end of period	\$ 272,700	\$ 510,036
Non-cash investing activities:		
Capital expenditures incurred but not yet paid:	\$ 7,821	\$ 3,679

The accompanying notes, together with the Notes to Consolidated Financial Statements included in Teradyne's Annual Report on Form 10-K for the year ended December 31, 2024, are an integral part of the condensed consolidated financial statements.

TERADYNE, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

A. THE COMPANY

Teradyne, Inc. ("Teradyne") is a leading global provider of automated test equipment and robotics solutions. Teradyne's automated test systems are used to test semiconductors, wireless products, data storage, silicon photonics, and complex electronics systems in many industries including consumer electronics, wireless, automotive, industrial, computing, communications, and aerospace and defense industries. Teradyne's robotics product offerings consist primarily of collaborative robotic arms and autonomous mobile robots used by global manufacturing, logistics and industrial customers to improve quality and increase manufacturing and material handling efficiency while reducing costs. In the first quarter of 2025, Teradyne identified opportunities for operational synergies amongst our production board test, defense and aerospace, and wireless test businesses leading to the creation of the Product Test division as a new segment effective March 2025. Teradyne's automated test equipment and robotics products and services include:

- semiconductor test ("Semiconductor Test") systems;
- robotics ("Robotics") products; and
- product test ("Product Test") systems, which include defense/aerospace ("Defense/Aerospace") test instrumentation and systems, circuit-board test and inspection ("Production Board Test") systems, wireless test systems ("Wireless Test"), and photonic integrated circuit ("PIC") test solutions.

B. ACCOUNTING POLICIES

Basis of Presentation

The condensed consolidated interim financial statements include the accounts of Teradyne and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated. These condensed consolidated interim financial statements are unaudited and reflect all normal recurring adjustments that are, in the opinion of management, necessary for the fair statement of such condensed consolidated interim financial statements. The December 31, 2024, condensed consolidated balance sheet data was derived from audited financial statements but does not include all disclosures required by United States of America generally accepted accounting principles ("U.S. GAAP") for complete financial statements. The accompanying financial information should be read in conjunction with the consolidated financial statements and notes thereto contained in Teradyne's Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission ("SEC") on February 20, 2025, for the year ended December 31, 2024.

Preparation of Financial Statements and Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent liabilities. On an on-going basis, management evaluates its estimates, including those related to inventories, investments, goodwill, intangible and other long-lived assets, accounts receivable, income taxes, deferred tax assets and liabilities, pensions, warranties, and loss contingencies. Management bases its estimates on historical experience and on appropriate and customary assumptions that are believed to be reasonable under the circumstances, which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Management is not aware of any specific event or circumstance that would require an update to its estimates or judgments or a revision of the carrying value of its assets or liabilities as of the date of issuance of this Quarterly Report on Form 10-Q. These estimates may change, as new events occur and additional information is obtained. Actual results may differ significantly from these estimates under different assumptions or conditions.

C. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-09 – "Income Taxes (Topic 740): Improvements to Income Tax Disclosures", which requires expanded disclosures relating to the tax rate reconciliation, income taxes paid, income (loss) before income tax expense (benefit) and income tax expense (benefit), requiring a greater disaggregation of information for each. The provisions of ASU 2023-09 are effective for fiscal years beginning after December 15, 2024. Teradyne will apply the amendments in this update on a prospective basis. This ASU will have no impact on results of operations, cash flows or financial condition.

In November 2024, the FASB issued ASU 2024-03-*"Income Statement - Reporting Comprehensive Income -Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses"*, which requires disclosure of additional expense information on an annual and interim basis, including the amounts of inventory purchases, employee compensation, depreciation and intangible amortization included within each income statement expense caption. This standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. Teradyne is currently evaluating the impact of this new standard.

In July 2025, the FASB issued ASU 2025-05 - *"Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets"*, which introduces a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. The practical expedient permits all entities to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. This standard is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. Teradyne is currently evaluating the impact of this new standard and does not expect a material impact on its financial statements and related disclosures.

D. ACQUISITIONS

Quantifi Photonics

On May 31, 2025, Teradyne acquired all of the issued and outstanding shares of Quantifi Photonics ("Quantifi"), a privately held company in New Zealand and a leader in photonic integrated circuit ("PIC") test solutions for a total purchase price of approximately \$127.2 million, subject to customary working capital adjustments. The acquisition of Quantifi enables Teradyne to deliver scalable PIC test solutions. Teradyne's allocation of the purchase price was goodwill of \$83.1 million, which is not deductible for tax purposes, acquired intangible assets of \$43.6 million with a weighted average estimated useful life of 10.0 years, and \$0.6 million of net tangible assets. The goodwill is attributable to cost synergies, assembled workforce and anticipated incremental revenue streams. Teradyne's estimates and assumptions used in determining the estimated fair values of certain assets and liabilities are subject to change within the measurement period (up to one year from the acquisition date) as a result of additional information obtained with regards to facts and circumstances that existed as of the acquisition date. The results of Quantifi have been included in Teradyne's Product Test segment from the date of acquisition.

Based upon a preliminary valuation, the total purchase price was allocated as follows:

	<u>Purchase Price Allocation</u> (in thousands)
Goodwill	\$ 83,068
Intangible Assets	43,600
Tangible assets acquired and liabilities assumed:	
Current assets	6,148
Long-term deferred tax assets	6,271
Other non-current assets	2,516
Accounts payable and current liabilities	(1,609)
Long-term deferred tax liabilities	(12,208)
Other long-term liabilities	(548)
Total purchase price	<u>\$ 127,238</u>

Teradyne estimated the fair value of intangible assets using the income and cost approaches. The fair value of Developed technology was estimated using the Multi-Period Excess Earnings Method. Acquired intangible assets are amortized on a straight-line basis over their estimated useful lives. Components of these intangible assets and their estimated useful lives at the acquisition date are as follows:

	<u>Fair Value</u> (in thousands)	<u>Estimated Useful Life</u> (in years)
Developed technology	\$ 38,600	10.0
Trademarks and tradenames	4,400	10.0
Customer relationships	600	8.0
Total Intangible Assets	<u>\$ 43,600</u>	10.0

Teradyne has not separately disclosed Quantifi's standalone contribution to total company revenue or income from operations before income taxes or pro forma financial information because the impact of the acquisition on the condensed consolidated financial statements is not material.

Automated Test Equipment Technology

On January 31, 2025, Teradyne acquired from Infineon Technologies AG ("Infineon") its automated test equipment technology and associated development team ("AET") based in Regensburg, Germany for a total purchase price of 17.6 million Euros, equivalent to \$18.3 million, subject to customary adjustments. AET adds resources and expertise to Teradyne and strengthens the relationship between Teradyne and Infineon. The AET acquisition was accounted for as a business combination and, accordingly, the results have been included in Teradyne's Semiconductor Test segment from the date of acquisition. As of the acquisition date, Teradyne's purchase price allocation was goodwill of \$1.3 million for expected synergies from combining operations, acquired intangible assets of \$6.4 million, consisting of developed technology and customer relationships, with a weighted average estimated useful life of 4.6 years, and \$10.7 million of net tangible assets, including \$11.7 million of inventory. The fair values of the tangible and identifiable intangible assets acquired and liabilities assumed are based on management's estimates and assumptions. The acquisition was not material to Teradyne's condensed consolidated financial statements.

E. REVENUE

Disaggregation of Revenue

The following table provides information about disaggregated revenue by timing of revenue recognition, primary geographical market, and major product lines.

	Semiconductor Test			Robotics	Product Test	Total
	System on-a-Chip	Memory	IST			
(in thousands)						
For the Three Months Ended September 28, 2025						
<i>Timing of Revenue Recognition</i>						
Point in Time	\$ 367,404	\$ 118,878	\$ 33,575	\$ 73,213	\$ 69,579	\$ 662,649
Over Time	72,812	9,184	4,014	1,874	18,677	106,561
Total	\$ 440,216	\$ 128,062	\$ 37,589	\$ 75,087	\$ 88,256	\$ 769,210
<i>Geographical Market</i>						
Asia Pacific	\$ 409,959	\$ 126,534	\$ 37,298	\$ 13,852	\$ 25,136	\$ 612,779
Americas	14,432	1,029	291	28,455	55,225	99,432
Europe, Middle East and Africa	15,825	499	—	32,780	7,895	56,999
Total	\$ 440,216	\$ 128,062	\$ 37,589	\$ 75,087	\$ 88,256	\$ 769,210
For the Three Months Ended September 29, 2024						
<i>Timing of Revenue Recognition</i>						
Point in Time	\$ 323,507	\$ 143,581	\$ 20,771	\$ 86,672	\$ 64,305	\$ 638,836
Over Time	68,848	6,798	5,013	1,979	15,824	98,462
Total	\$ 392,355	\$ 150,379	\$ 25,784	\$ 88,651	\$ 80,129	\$ 737,298
<i>Geographical Market</i>						
Asia Pacific	\$ 364,476	\$ 137,890	\$ 23,844	\$ 13,833	\$ 29,775	\$ 569,818
Americas	17,150	1,325	1,940	40,775	43,494	104,684
Europe, Middle East and Africa	10,729	11,164	—	34,043	6,860	62,796
Total	\$ 392,355	\$ 150,379	\$ 25,784	\$ 88,651	\$ 80,129	\$ 737,298
For the Nine Months Ended September 28, 2025						
<i>Timing of Revenue Recognition</i>						
Point in Time	\$ 1,030,682	\$ 272,534	\$ 85,294	\$ 213,083	\$ 192,296	\$ 1,793,889
Over Time	212,512	25,879	13,348	5,857	55,202	312,798
Total	\$ 1,243,194	\$ 298,413	\$ 98,642	\$ 218,940	\$ 247,498	\$ 2,106,687
<i>Geographical Market</i>						
Asia Pacific	\$ 1,132,944	\$ 292,683	\$ 95,782	\$ 44,853	\$ 85,583	\$ 1,651,845
Americas	65,404	4,023	2,860	88,086	138,239	298,612
Europe, Middle East and Africa	44,846	1,707	—	86,001	23,676	156,230
Total	\$ 1,243,194	\$ 298,413	\$ 98,642	\$ 218,940	\$ 247,498	\$ 2,106,687
For the Nine Months Ended September 29, 2024						
<i>Timing of Revenue Recognition</i>						
Point in Time	\$ 896,635	\$ 367,679	\$ 49,868	\$ 260,072	\$ 189,987	\$ 1,764,241
Over Time	211,612	21,626	15,784	6,480	47,253	302,755
Total	\$ 1,108,247	\$ 389,305	\$ 65,652	\$ 266,552	\$ 237,240	\$ 2,066,996
<i>Geographical Market</i>						
Asia Pacific	\$ 1,016,674	\$ 357,993	\$ 61,014	\$ 48,615	\$ 86,079	\$ 1,570,375
Americas	59,912	13,631	4,638	110,415	116,799	305,395
Europe, Middle East and Africa	31,661	17,681	—	107,522	34,362	191,226
Total	\$ 1,108,247	\$ 389,305	\$ 65,652	\$ 266,552	\$ 237,240	\$ 2,066,996

Contract Balances

During the three and nine months ended September 28, 2025, Teradyne recognized \$14.2 million and \$64.8 million, respectively, that was included within the deferred revenue and customer advances balances at the beginning of the period. During the three and nine months ended September 29, 2024, Teradyne recognized \$13.4 million and \$60.2 million, respectively, that was included within the deferred revenue and customer advances balances at the beginning of the period. This revenue primarily relates to undelivered hardware, extended warranties, training, application support, and post contract support. Each of these represents a distinct performance obligation. As of September 28, 2025, Teradyne had \$1,744.4 million of unsatisfied performance obligations. Teradyne expects to recognize approximately 89% of the remaining performance obligations in the next 12 months and the remainder in 1-3 years.

Deferred revenue and customer advances consist of the following and are included in short and long-term deferred revenue and customer advances on the balance sheet:

	September 28, 2025	December 31, 2024
	(in thousands)	
Maintenance, service and training	\$ 57,606	\$ 58,473
Customer advances, undelivered elements and other	68,316	48,118
Extended warranty	51,015	41,624
Total deferred revenue and customer advances	<u>\$ 176,937</u>	<u>\$ 148,215</u>

Accounts Receivable

During the three and nine months ended September 28, 2025, and September 29, 2024, Teradyne sold certain trade accounts receivables on a non-recourse basis to third-party financial institutions pursuant to factoring agreements. During the three months ended September 28, 2025, and September 29, 2024, total trade accounts receivable sold under the factoring agreements were \$14.4 million and \$36.1 million, respectively. During the nine months ended September 28, 2025, and September 29, 2024, total trade accounts receivable sold under the factoring agreements were \$37.5 million and \$116.8 million, respectively. Factoring fees for the sales of receivables were recorded in interest expense and were not material. Teradyne accounted for these transactions as sales of receivables and presented cash proceeds as cash provided by operating activities in the condensed consolidated statements of cash flows.

F. EQUITY METHOD INVESTMENT

On May 27, 2024, Teradyne paid 483.1 million Euros, equivalent to \$524.1 million, to purchase a combination of previously issued and outstanding shares and shares newly issued by Technoprobe, S.p.A. ("Technoprobe"). The shares purchased represent 10% of the issued and outstanding shares of Technoprobe. Teradyne also received a board seat as part of the purchase. Teradyne accounts for this investment using the equity method as a result of being able to exercise significant influence over the operating and financial decisions of Technoprobe.

The carrying value of this equity method investment as of September 28, 2025, was \$538.0 million and \$494.5 million as of December 31, 2024 in the condensed consolidated balance sheets. For the three months ended September 28, 2025, Teradyne recorded a \$5.2 million loss related to equity in net earnings of affiliate and a \$2.2 million loss in other comprehensive income (loss) related to investment. For the nine months ended September 28, 2025, Teradyne recorded a \$16.7 million loss related to equity in net earnings of affiliate and an income of \$60.2 million of other comprehensive income (loss) related to the equity method investment. For the three and nine months ended September 29, 2024, Teradyne recorded a loss of \$1.1 million of equity in net earnings of affiliate and income of \$15.4 million in other comprehensive income (loss) related this investment.

Based on the quoted closing price of Technoprobe stock as of September 28, 2025, the fair value of the publicly traded investment was \$638.2 million.

Teradyne's equity method basis difference was calculated as the difference between the investment and the amount of underlying equity in net assets acquired. The basis differences, net of tax, will be amortized over the estimated useful lives.

Teradyne made an accounting policy election to report its share of Technoprobe's results on a 3-month lag, which is applied consistently from period to period. Teradyne records its share of Technoprobe's net income or loss and the amortization of equity method basis difference, as 'Equity in net earnings of affiliate' in the condensed consolidated statements of operations. Teradyne includes its share of Technoprobe's other comprehensive income and a cumulative translation adjustment in the condensed consolidated statements of comprehensive income.

G. DISPOSITIONS

On May 27, 2024, Teradyne completed the sale of the Device Interface Solutions ("DIS") business, a component of the Semiconductor Test segment, to Technoprobe for \$85.0 million in cash, net of cash and cash equivalents sold, and a customary working capital adjustment. The sale resulted in a pre-tax gain of \$57.1 million recorded as 'Gain on sale of business' in the condensed consolidated statement of operations. The transaction did not meet the criteria to be classified as a discontinued operation, as it did not represent a strategic shift that will have a major effect on operations and financial results.

H. INVENTORIES

Inventories, net consisted of the following at September 28, 2025, and December 31, 2024:

	September 28, 2025	December 31, 2024
	(in thousands)	
Raw material	\$ 267,105	\$ 225,915
Work-in-process	57,050	41,964
Finished goods	42,597	30,613
Total inventories, net	<u>\$ 366,752</u>	<u>\$ 298,492</u>

Inventory reserves at September 28, 2025, and December 31, 2024, were \$146.0 million and \$141.4 million, respectively.

I. FINANCIAL INSTRUMENTS

Cash Equivalents

Teradyne considers all highly liquid investments with original maturities of three months or less at the date of acquisition to be cash equivalents.

Marketable Securities

Teradyne's equity and debt mutual funds are classified as Level 1 and available-for-sale debt securities are classified as Level 2. The vast majority of Level 2 securities are fixed income securities priced by second party pricing vendors. These pricing vendors utilize the most recent observable market information in pricing these securities or, if specific prices are not available, use other observable inputs like market transactions involving identical or comparable securities.

During the three and nine months ended September 28, 2025, and September 29, 2024, there were no transfers in or out of Level 1, Level 2, or Level 3 financial instruments.

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(in millions)		(in millions)	
Realized gains and losses included in 'Other (income) expense, net' in the condensed consolidated statement of operations				
Realized gains	\$ 0.7	\$ 0.8	\$ 1.8	\$ 2.1
Realized losses	—	—	1.3	0.3
Unrealized gains and losses on equity securities included in 'Other (income) expense, net' in the condensed consolidated statement of operations				
Unrealized gains on equity securities	3.1	2.2	7.4	5.4
Unrealized losses on equity securities	0.1	—	3.2	—

Unrealized gains and losses on available-for-sale debt securities are included in 'Accumulated other comprehensive income (loss)' in the condensed consolidated balance sheet.

The cost of securities sold is based on average cost.

The following tables set forth by fair value hierarchy Teradyne's financial assets and liabilities that were measured at fair value on a recurring basis as of September 28, 2025, and December 31, 2024.

	September 28, 2025			
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(in thousands)			
Assets				
Cash	\$ 180,730	\$ —	\$ —	\$ 180,730
Cash equivalents	91,970	—	—	91,970
Available-for-sale securities:				
U.S. Treasury securities	—	44,759	—	44,759
Corporate debt securities	—	36,748	—	36,748
Debt mutual funds	14,766	—	—	14,766
Certificates of deposit and time deposits	—	1,613	—	1,613
U.S. government agency securities	—	1,098	—	1,098
Non-U.S. government securities	—	937	—	937
Equity securities:				
Mutual funds	54,754	—	—	54,754
	<u>\$ 342,220</u>	<u>\$ 85,155</u>	<u>\$ —</u>	<u>\$ 427,375</u>
Derivative assets	—	310	—	310
Total	<u><u>\$ 342,220</u></u>	<u><u>\$ 85,465</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 427,685</u></u>
Liabilities				
Derivative liabilities	—	1,129	—	\$ 1,129
Total	<u><u>\$ —</u></u>	<u><u>\$ 1,129</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 1,129</u></u>
Reported as follows:				
	(Level 1)	(Level 2)	(Level 3)	Total
	(in thousands)			
Assets				
Cash and cash equivalents	\$ 272,700	\$ —	\$ —	\$ 272,700
Long-term marketable securities	69,520	60,138	-	129,658
Marketable securities	—	25,017	—	25,017
Prepayments	—	310	—	310
Total	<u><u>\$ 342,220</u></u>	<u><u>\$ 85,465</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 427,685</u></u>
Liabilities				
Other current liabilities	\$ —	\$ 1,129	\$ —	\$ 1,129
Total	<u><u>\$ —</u></u>	<u><u>\$ 1,129</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 1,129</u></u>

	December 31, 2024			
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(in thousands)			
Assets				
Cash	\$ 261,176	\$ —	\$ —	\$ 261,176
Cash equivalents	283,037	9,141	—	292,178
Available-for-sale securities:				
U.S. Treasury securities	—	44,942	—	44,942
Corporate debt securities	—	35,696	—	35,696
Certificates of deposit and time deposits	—	21,689	—	21,689
Debt mutual funds	8,951	—	—	8,951
U.S. government agency securities	—	3,970	—	3,970
Non-U.S. government securities	—	773	—	773
Equity securities:				
Mutual Funds	54,412	—	—	54,412
	<u>\$ 607,576</u>	<u>\$ 116,211</u>	<u>\$ —</u>	<u>\$ 723,787</u>
Derivative assets	—	1,665	—	1,665
Total	<u>\$ 607,576</u>	<u>\$ 117,876</u>	<u>\$ —</u>	<u>\$ 725,452</u>
Liabilities				
Derivative liabilities	—	1,324	—	1,324
Total	<u>\$ —</u>	<u>\$ 1,324</u>	<u>\$ —</u>	<u>\$ 1,324</u>

Reported as follows:

	(Level 1)	(Level 2)	(Level 3)	Total
	(in thousands)			
Assets				
Cash and cash equivalents	\$ 544,213	\$ 9,141	\$ —	\$ 553,354
Marketable securities	—	46,312	—	46,312
Long-term marketable securities	63,363	60,758	—	124,121
Prepayments	—	1,665	—	1,665
Total	<u>\$ 607,576</u>	<u>\$ 117,876</u>	<u>\$ —</u>	<u>\$ 725,452</u>
Liabilities				
Other current liabilities	\$ —	\$ 1,324	\$ —	\$ 1,324
Total	<u>\$ —</u>	<u>\$ 1,324</u>	<u>\$ —</u>	<u>\$ 1,324</u>

The carrying amounts and fair values of Teradyne's financial instruments at September 28, 2025, and December 31, 2024, were as follows:

	September 28, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(in thousands)			
Assets				
Cash and cash equivalents	\$ 272,700	\$ 272,700	\$ 553,354	\$ 553,354
Marketable securities	154,675	154,675	170,433	170,433
Derivative assets	310	310	1,665	1,665
Liabilities				
Derivative liabilities	1,129	1,129	1,324	1,324

The fair values of accounts receivable, net and accounts payable approximate the carrying value due to the short-term nature of these instruments.

The following table summarizes the composition of available-for-sale marketable securities at September 28, 2025:

September 28, 2025					
Available-for-Sale					
	Cost	Unrealized Gain	Unrealized (Loss) (in thousands)	Fair Market Value	Fair Market Value of Investments with Unrealized Losses
U.S. Treasury securities	\$ 49,271	\$ 63	\$ (4,575)	\$ 44,759	\$ 21,338
Corporate debt securities	40,281	280	(3,813)	36,748	24,216
Debt mutual funds	14,945	—	(179)	14,766	2,972
Certificates of deposit and time deposits	1,613	—	—	1,613	—
U.S. government agency securities	1,098	—	—	1,098	1,098
Non-U.S. government securities	937	—	—	937	—
	<u>\$ 108,145</u>	<u>\$ 343</u>	<u>\$ (8,567)</u>	<u>\$ 99,921</u>	<u>\$ 49,624</u>

Reported as follows:

	Cost	Unrealized Gain	Unrealized (Loss) (in thousands)	Fair Market Value	Fair Market Value of Investments with Unrealized Losses
Marketable securities	\$ 25,012	\$ 25	\$ (20)	\$ 25,017	\$ 6,517
Long-term marketable securities	83,133	318	(8,547)	74,904	43,107
	<u>\$ 108,145</u>	<u>\$ 343</u>	<u>\$ (8,567)</u>	<u>\$ 99,921</u>	<u>\$ 49,624</u>

The following table summarizes the composition of available-for-sale marketable securities at December 31, 2024:

December 31, 2024					
Available-for-Sale					
	Cost	Unrealized Gain	Unrealized (Loss) (in thousands)	Fair Market Value	Fair Market Value of Investments with Unrealized Losses
U.S. Treasury securities	\$ 49,879	\$ 14	\$ (4,951)	\$ 44,942	\$ 30,530
Corporate debt securities	40,395	79	(4,778)	35,696	27,824
Certificates of deposit and time deposits	21,689	—	—	21,689	—
Debt mutual funds	9,299	—	(348)	8,951	3,238
U.S. government agency securities	3,966	5	(1)	3,970	1,946
Non-U.S. government securities	773	—	—	773	—
	<u>\$ 126,001</u>	<u>\$ 98</u>	<u>\$ (10,078)</u>	<u>\$ 116,021</u>	<u>\$ 63,538</u>

Reported as follows:

	Cost	Unrealized Gain	Unrealized (Loss) (in thousands)	Fair Market Value	Fair Market Value of Investments with Unrealized Losses
Marketable securities	\$ 46,349	\$ 16	\$ (53)	\$ 46,312	\$ 10,454
Long-term marketable securities	79,652	82	(10,025)	69,709	53,084
	<u>\$ 126,001</u>	<u>\$ 98</u>	<u>\$ (10,078)</u>	<u>\$ 116,021</u>	<u>\$ 63,538</u>

As of September 28, 2025, the fair market value of investments with unrealized losses less than one year and greater than one year totaled \$11.8 million and \$37.8 million, respectively. As of December 31, 2024, the fair market value of investments with unrealized losses for less than one year and greater than one year totaled \$22.6 million and \$40.9 million, respectively.

Teradyne reviews its investments to identify and evaluate investments that have an indication of possible impairment. Based on this review, Teradyne determined that the unrealized losses related to these investments at September 28, 2025, and December 31, 2024, were not other than temporary.

The contractual maturities of investments in available-for-sale securities held at September 28, 2025, were as follows:

	September 28, 2025	
	Cost	Fair Market Value
	(in thousands)	
Due within one year	\$ 25,012	\$ 25,017
Due after 1 year through 5 years	24,346	24,202
Due after 5 years through 10 years	8,575	8,683
Due after 10 years	35,267	27,253
Total	\$ 93,200	\$ 85,155

Contractual maturities of investments in available-for-sale securities held at September 28, 2025, exclude debt mutual funds with a fair market value of \$14.8 million as they do not have a contractual maturity date.

Derivatives

Teradyne conducts business in various foreign countries, with certain transactions denominated in local currencies. As a result, Teradyne is exposed to risks relating to changes in foreign currency exchange rates. Teradyne's foreign currency risk management objective is to minimize the effect of exchange rate fluctuations associated with the remeasurement of monetary assets and liabilities denominated in foreign currencies, and changes in its cash inflows attributable to the forecasted cash flows from certain foreign currency denominated revenues.

To minimize the effect of exchange rate fluctuations associated with the remeasurement of monetary assets and liabilities denominated in foreign currencies, Teradyne enters into foreign currency forward contracts. The change in fair value of these derivatives is recorded directly in earnings and is used to offset the change in value of monetary assets and liabilities denominated in foreign currencies.

Teradyne also enters into foreign currency forward and option contracts designated as cash flow hedges to hedge the risk of changes in its cash inflows attributable to changes in foreign currency exchange rates. The cash flow hedges have maturities of less than six months and mature in the period of revenue recognition for certain products and services in backlog and forecasted to be recognized in a future period. Teradyne evaluates cash flow hedges for effectiveness at inception based on the critical terms match method. The hedges are not expected to incur any ineffectiveness however a quarterly qualitative assessment of effectiveness is done to determine if the critical terms match method remains appropriate to use. The change in fair value of the contracts is recorded in accumulated other comprehensive income (loss) and reclassified to earnings at maturity date.

Teradyne does not use derivative financial instruments for speculative purposes.

At September 28, 2025, and December 31, 2024, Teradyne had the following contracts to buy and sell non-U.S. currencies for U.S. dollars and other non-U.S. currencies with the following notional amounts:

	Gross Notional Value	
	September 28, 2025	December 31, 2024
	(in millions)	
Currency Hedged (Buy/Sell)		
U.S. dollar/Taiwan dollar	24.9	14.5
U.S. dollar/Japanese yen	8.7	12.6
U.S. dollar/Danish krone	7.0	—
U.S. dollar/Korean won	4.0	4.2
U.S. dollar/British pound sterling	1.8	1.2
Singapore dollar/U.S. dollar	48.1	28.9
Euro/U.S. dollar	16.9	22.3
Danish krone/Chinese yuan	10.3	10.5
Philippine peso/U.S. dollar	1.8	9.4
Chinese yuan/U.S. dollar	0.9	1.6
Danish krone/U.S. dollar	0.8	16.9
Total	\$ 125.2	\$ 122.1

The fair value of the outstanding contracts was a net loss of \$0.8 million and a net loss of \$0.6 million at September 28, 2025, and December 31, 2024, respectively.

Unrealized gains and losses on foreign currency forward contracts and foreign currency remeasurement gains and losses on monetary assets and liabilities are included in 'Other (income) expense, net' in the condensed consolidated statement of operations.

At September 28, 2025, and December 31, 2024, Teradyne had the following cash flow hedge contracts to buy and sell non-U.S. currencies for U.S. dollars with the following notional amounts:

	Gross Notional Value	
	September 28, 2025	December 31, 2024
	(in millions)	
Currency Hedged (Buy/Sell)		
U.S. dollar/Japanese yen	\$ —	\$ 15.6
Total	\$ —	\$ 15.6

The fair value of the outstanding cash flow hedge contracts was a gain of \$0.9 million at December 31, 2024.

Unrealized gains and losses on foreign currency cash flow hedge contracts are included in accumulated other comprehensive income (loss). At maturity, the gains or losses associated with cash flow hedge contracts are recorded to revenue.

On November 7, 2023, in connection with Teradyne's agreement to acquire a 10% investment in Technoprobe, Teradyne purchased a call option to buy 481.0 million Euros. The expiration date of the option was April 26, 2024. On April 12, 2024, Teradyne entered into a forward to buy 481.0 million Euros which expired on May 23, 2024. For the nine months ended September 29, 2024, a realized loss of \$9.8 million was recorded in 'Other (income) expense, net' in the condensed consolidated statement of operations.

The following table summarizes the fair value of derivative instruments as of September 28, 2025, and December 31, 2024:

	Balance Sheet Location	September 28,	December 31,
		2025	2024
(in thousands)			
Derivatives not designated as hedging instruments:			
Foreign exchange forward contracts	Other current assets	310	725
Foreign exchange forward contracts	Other current liabilities	(1,129)	(1,324)
Derivatives designated as hedging instruments:			
Foreign exchange forward contracts	Other current assets	—	940
Total derivatives		<u>\$ (819)</u>	<u>\$ 341</u>

The following table summarizes the effect of derivative instruments recognized in the statement of operations for the three and nine months ended September 28, 2025, and September 29, 2024:

Location of (Gains) Losses Recognized in Statement of Operations	For the Three Months Ended		For the Nine Months Ended		
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024	
	(in thousands)		(in thousands)		
Derivatives not designated as hedging instruments:					
Foreign exchange forward contracts (1)	Other (income) expense, net	\$ 218	\$ 4,829	\$ 174	\$ 686
Foreign exchange option contracts	Other (income) expense, net	—	—	—	9,764
Derivatives designated as hedging instruments:					
Foreign exchange forward and option contracts	Revenue	—	—	(449)	(2,280)
Total Derivatives		<u>\$ 218</u>	<u>\$ 4,829</u>	<u>\$ (275)</u>	<u>\$ 8,170</u>

- (1) The table does not reflect the corresponding gains and losses from the remeasurement of the monetary assets and liabilities denominated in foreign currencies. For the three and nine months ended September 28, 2025, net losses from remeasurement of monetary assets and liabilities denominated in foreign currencies were \$2.8 million and \$6.2 million, respectively. For the three and nine months ended September 29, 2024, net losses (gains) from remeasurement of monetary assets and liabilities denominated in foreign currencies were \$(2.9) million and \$3.1 million, respectively.

See Note J: “Debt” regarding derivatives related to the convertible senior notes.

J. DEBT

Convertible Senior Notes

On December 12, 2016, Teradyne completed a private offering of \$460.0 million aggregate principal amount of 1.25% convertible senior unsecured notes (the “Notes”). The Notes matured on December 15, 2023.

Concurrent with the offering of the Notes, Teradyne entered into convertible note hedge transactions (the “Note Hedge Transactions”) with the initial purchasers or their affiliates (the “Option Counterparties”). The Note Hedge Transactions covered, subject to customary anti-dilution adjustments, the number of shares of the common stock that underlie the Notes. Separately and concurrent with the pricing of the Notes, Teradyne entered into warrant transactions with the Option Counterparties (the “Warrant Transactions”) in which it sold net-share-settled (or, at its election subject to certain conditions, cash-settled) warrants to the Option Counterparties. The Warrant Transactions, which began expiring on March 18, 2024, and continued to expire through July 10, 2024, covered, subject to customary anti-dilution adjustments, approximately 1.3 million shares of common stock. During the three and nine months ended September 29, 2024, 1.3 million and 14.7 million warrants expired, resulting in the issuance of 1.2 million and 10.0 million shares of Teradyne common stock, respectively.

Revolving Credit Facility

On May 1, 2020, Teradyne entered into a credit agreement (the “Credit Agreement”) with Truist Bank, as administrative agent and collateral agent, and the lenders party thereto. The Credit Agreement provided for a three-year, senior secured revolving credit facility of \$400.0 million (the “Credit Facility”).

On December 10, 2021, the Credit Agreement was amended to extend the maturity date of the Credit Facility to December 10, 2026. On October 5, 2022, the Credit Agreement was amended to increase the amount of the Credit Facility to \$750.0 million from \$400.0 million. On November 7, 2023, the Credit Agreement was amended to allow for the purchase of the shares of Technoprobe.

The Credit Agreement provides that, subject to customary conditions, Teradyne may seek to obtain from existing or new lenders the available incremental amount under the Credit Facility, not to exceed the greater of \$200.0 million or 15% of consolidated EBIDTA. The interest rate applicable to loans under the Credit Facility are, at Teradyne's option, equal to either a base rate plus a margin ranging from 0.00% to 0.75% per annum or SOFR plus a margin ranging from 1.10% to 1.85% per annum, based on the consolidated leverage ratio of Teradyne. In addition, Teradyne will pay a commitment fee on the unused portion of the commitments under the Credit Facility ranging from 0.15% to 0.25% per annum, based on the then applicable consolidated leverage ratio.

Teradyne is not required to repay any loans under the Credit Facility prior to maturity, subject to certain customary exceptions. Teradyne is permitted to prepay all or any portion of the loans under the Credit Facility prior to maturity without premium or penalty, other than customary SOFR breakage costs.

The Credit Agreement contains customary events of default, representations, warranties and affirmative and negative covenants that, among other things, limit Teradyne's ability to sell assets, grant liens on assets, incur other secured indebtedness and make certain investments and restricted payments, all subject to exceptions set forth in the Credit Agreement. The Credit Agreement also requires Teradyne to satisfy two financial ratios measured as of the end of each fiscal quarter: a consolidated leverage ratio and an interest coverage ratio.

The Credit Facility is guaranteed by certain of Teradyne's domestic subsidiaries and collateralized by assets of Teradyne and such subsidiaries, including a pledge of 65% of the capital stock of certain foreign subsidiaries.

On May 16, 2024, Teradyne borrowed \$185.0 million under the Credit Agreement to support the acquisition of 10% of the issued and outstanding shares of Technoprobe. Teradyne fully repaid its borrowings on the revolving credit facility during the second quarter of 2024.

On September 4, 2025, and September 19, 2025, Teradyne borrowed a combined \$200.0 million under the Credit Agreement to support the upcoming ramp for Semiconductor Test and the strategy to return cash to shareholders through share repurchases, dividends, and inorganic growth opportunities. The average interest rate on the borrowings is 5.29%. As of September 28, 2025, Teradyne has not paid any interest on its outstanding balance from the Credit Facility.

The company accounts for this arrangement under ASC 470 Debt. All borrowings are recorded as short-term or long-term debt in the condensed consolidated balance sheet in accordance with Teradyne's ability and intent to repay the debt, as well as the contractual due date. When amounts are drawn on the revolver, interest is accrued and recognized within other accrued liabilities in the condensed consolidated balance sheet and expensed within Other (income) expense, net within the condensed consolidated statement of operations.

As of October 30, 2025, Teradyne has \$250.0 million outstanding from the Credit Facility, and Teradyne was in compliance with all covenants under the Credit Agreement.

K. PREPAYMENTS

Prepayments consist of the following:

	September 28, 2025	December 31, 2024
	(in thousands)	
Contract manufacturer and supplier prepayments	\$ 404,485	\$ 365,875
Prepaid maintenance and other services	18,324	22,176
Prepaid taxes	14,595	22,211
Other prepayments	31,836	18,824
Total prepayments	\$ 469,240	\$ 429,086

L. PRODUCT WARRANTY

Teradyne generally provides a one-year warranty on its products, commencing upon installation, acceptance or shipment. A provision is recorded upon revenue recognition to cost of revenues for estimated warranty expense based on historical experience. Related costs are charged to the warranty accrual as incurred. The balance below is included in other accrued liabilities.

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(in thousands)		(in thousands)	
Balance at beginning of period	\$ 12,238	\$ 15,244	\$ 12,962	\$ 15,698
Accruals for warranties issued during the period	5,038	2,149	15,194	8,331
Accruals related to pre-existing warranties	(255)	(545)	(1,177)	(1,513)
Settlements made during the period	(3,881)	(2,990)	(13,839)	(8,658)
Balance at end of period	<u>\$ 13,140</u>	<u>\$ 13,858</u>	<u>\$ 13,140</u>	<u>\$ 13,858</u>

When Teradyne receives revenue for extended warranties, beyond one year, it is deferred and recognized on a straight-line basis over the contract period. Related costs are expensed as incurred. The balance below is included in short and long-term deferred revenue and customer advances.

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(in thousands)		(in thousands)	
Balance at beginning of period	\$ 46,751	\$ 33,512	\$ 41,624	\$ 34,897
Deferral of new extended warranty revenue	10,573	9,714	28,216	22,316
Recognition of extended warranty deferred revenue	(6,309)	(4,297)	(18,825)	(18,284)
Balance at end of period	<u>\$ 51,015</u>	<u>\$ 38,929</u>	<u>\$ 51,015</u>	<u>\$ 38,929</u>

M. STOCK-BASED COMPENSATION

Under Teradyne's stock compensation plans, Teradyne grants time-based restricted stock units, performance-based restricted stock units and stock options, and employees are eligible to purchase Teradyne's common stock through its Employee Stock Purchase Plan ("ESPP").

Service-based restricted stock unit awards granted to employees vest in equal annual installments over four years. Restricted stock unit awards granted to non-employee directors vest after a one-year period, with 100% of the award vesting on the earlier of (a) the first anniversary of the grant date or (b) the date of the following year's Annual Meeting of Shareholders. Teradyne expenses the cost of the restricted stock unit awards subject to time-based vesting, which is determined to be the fair market value of the shares at the date of grant, ratably over the period during which the restrictions lapse.

Performance-based restricted stock units ("PRSU") granted to Teradyne's executive officers may have a performance metric based on relative total shareholder return ("TSR"). Teradyne's three-year TSR performance is measured against the New York Stock Exchange ("NYSE") Composite Index. The final number of TSR PRSUs that vest will vary based upon the level of performance achieved from 0% to 200% of the target shares. The TSR PRSUs will vest upon the three-year anniversary of the grant date. The TSR PRSUs are valued using a Monte Carlo simulation model. The number of units expected to be earned, based upon the achievement of the TSR market condition, is factored into the grant date Monte Carlo valuation. Compensation expense is recognized on a straight-line basis over the shorter of the three-year service period or the period from the grant to the date described in the retirement provisions below.

PRSUs granted to Teradyne's executive officers may also have a performance metric based on three-year cumulative non-GAAP profit before interest and tax ("PBIT") as a percent of Teradyne's revenue. Non-GAAP PBIT is a financial measure equal to GAAP income from operations less restructuring and other, net; amortization of acquired intangible assets; acquisition and divestiture related charges or credits; pension actuarial gains and losses; non-cash convertible debt interest expense; and other non-recurring gains and charges such as ERP implementation related costs and equity modification charges. The final number of PBIT PRSUs that vest will vary based upon the level of performance achieved from 0% to 200% of the target shares. The PBIT PRSUs will vest upon the three-year anniversary of the grant date. Compensation expense is recognized on a straight-line basis over the shorter of the three-year

service period or the period from the grant date to the date described in the retirement provisions below. Compensation expense for executive officers meeting the retirement provisions prior to the grant date is recognized during the year following the grant. Compensation expense is recognized based on the number of units that are earned based upon the three-year Teradyne PBIT as a percent of Teradyne's revenue, provided the executive officer remains an employee at the end of the three-year period subject to the retirement and termination eligibility provisions noted below.

If a PRSU recipient's employment ends prior to the determination of the performance percentage due to (1) permanent disability or death or (2) retirement or termination other than for cause, after attaining both at least age 60 and at least 10 years of service, then all or a portion of the recipient's PRSUs (based on the actual performance percentage achieved on the determination date) will vest on the date the performance percentage is determined. Except as set forth in the preceding sentence, no PRSUs will vest if the executive officer is no longer an employee at the end of the three-year period. Stock options to purchase Teradyne's common stock at 100% of the fair market value on the grant date vest in equal annual installments over four years from the grant date and have a maximum term of seven years.

On January 22, 2024, the Board enacted the Executive Retirement Policy for Restricted Stock Unit and Option Vesting (the "Retirement Policy"). Under the Retirement Policy, an executive officer that is over the age of 65 and has 10 or more years of service as of the effective date of his or her retirement will be eligible for continued vesting of his or her unvested time-based restricted stock units and stock options granted prior to his or her retirement date.

During the nine months ended September 28, 2025, and September 29, 2024, Teradyne granted 0.6 million and 0.6 million of service-based restricted stock unit awards to employees at a weighted average grant date fair value of \$111.72 and \$95.98, respectively, and less than 0.1 million and 0.1 million of service-based restricted stock unit awards to non-employee directors at a weighted average grant date fair value of \$79.78 and \$120.38, respectively.

During the nine months ended September 28, 2025, and September 29, 2024, Teradyne granted 0.1 million and 0.1 million of PBIT PRSUs with a weighted average grant date fair value of \$106.44 and \$94.51, respectively.

During the nine months ended September 28, 2025, and September 29, 2024, Teradyne granted 0.1 million and 0.1 million of TSR PRSUs, with a weighted average grant date fair value of \$107.44 and \$102.51, respectively. The grant date fair value was estimated using the Monte Carlo simulation model with the following assumptions:

	For the Nine Months Ended	
	September 28, 2025	September 29, 2024
Risk-free interest rate	4.1%	3.9%
Teradyne volatility-historical	41.8%	42.4%
NYSE Composite Index volatility-historical	14.6%	15.6%
Dividend yield	0.4%	0.5%

Expected volatility was based on the historical volatility of Teradyne's stock and the NYSE Composite Index over the most recent three-year period. The risk-free interest rate was determined using the U.S. Treasury yield curve in effect at the time of the applicable grant. Dividend yield was based upon an estimated annual dividend amount of \$0.48 per share divided by Teradyne's stock price on the grant dates, which have a weighted average grant date stock price of \$108.67 for the 2025 grants, and an estimated annual dividend amount of \$0.48 per share divided by Teradyne's stock price on the grant date of \$95.83 for the 2024 grant.

During the nine months ended September 28, 2025, and September 29, 2024, Teradyne granted 0.1 million and 0.1 million of service-based stock options to executive officers at a weighted average grant date fair value of \$41.93 and \$37.50, respectively.

The fair value of stock options was estimated using the Black-Scholes option-pricing model with the following assumptions:

	For the Nine Months Ended	
	September 28, 2025	September 29, 2024
Expected life (years)	4.0	4.0
Risk-free interest rate	4.2%	4.0%
Volatility-historical	43.9%	46.3%
Dividend yield	0.4%	0.5%

Teradyne determined the stock options' expected life based upon historical exercise data for executive officers, the age of the executive officers and the terms of the stock option grant. Volatility was determined using historical volatility for a period equal to the expected life. The risk-free interest rate was determined using the U.S. Treasury yield curve in effect at the time of grant. Dividend yield was based upon an estimated annual dividend amount of \$0.48 per share divided by Teradyne's stock price on the grant date, which have a weighted average grant date stock price of \$109.29 for the 2025 grant and an estimated annual dividend amount of \$0.48 per share divided by Teradyne's stock price on the grant date of \$95.14 for the 2024 grant.

N. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Changes in accumulated other comprehensive income (loss), which are presented net of tax, consist of the following:

	Foreign Currency Translation Adjustment	Unrealized (Losses) Gains on Marketable Securities	Unrealized (Losses) Gains on Cash Flow Hedges	Retirement Plans Prior Service Credit	Total
	(in thousands)				
Nine Months Ended September 28, 2025					
Balance at December 31, 2024, net of tax of \$0, \$(2,174), \$209, \$(1,134), respectively	\$ (75,289)	\$ (7,807)	\$ 731	\$ 1,145	\$ (81,220)
Other comprehensive (loss) gain before reclassifications, net of tax of \$0, \$316, \$(109), \$0, respectively	117,966	1,324	(381)	—	118,909
Amounts reclassified from accumulated other comprehensive income (loss), net of tax of \$0, \$27, \$(100), \$(1), respectively	—	89	(350)	(6)	(267)
Net current period other comprehensive loss, net of tax of \$0, \$343, \$(209), \$(1), respectively	117,966	1,413	(731)	(6)	118,642
Balance at September 28, 2025, net of tax of \$0, \$(1,831), \$0, \$(1,135), respectively	<u>\$ 42,677</u>	<u>\$ (6,394)</u>	<u>\$ —</u>	<u>\$ 1,139</u>	<u>\$ 37,422</u>
Nine Months Ended September 29, 2024					
Balance at December 31, 2023, net of tax of \$0, \$(1,728), \$142, \$(1,132), respectively	\$ (22,442)	\$ (6,194)	\$ 506	\$ 1,152	\$ (26,978)
Other comprehensive (loss) gain before reclassifications, net of tax of \$0, \$205, \$285, \$0, respectively	22,751	885	1,014	—	24,650
Amounts reclassified from accumulated other comprehensive income (loss), net of tax of \$0, \$24, \$(500), \$(1), respectively	—	86	(1,780)	(6)	(1,700)
Net current period other comprehensive loss, net of tax of \$0, \$229, \$(215), \$(1), respectively	22,751	971	(766)	(6)	22,950
Balance at September 29, 2024, net of tax of \$0, \$(1,499), \$(73), \$(1,133), respectively	<u>\$ 309</u>	<u>\$ (5,223)</u>	<u>\$ (260)</u>	<u>\$ 1,146</u>	<u>\$ (4,028)</u>

Reclassifications out of accumulated other comprehensive income (loss) to the statement of operations for the three and nine months ended September 28, 2025, and September 29, 2024, were as follows:

Details about Accumulated Other Comprehensive Income (Loss) Components	For the Three Months Ended		For the Nine Months Ended		Affected Line Item in the Statements of Operations
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024	
	(in thousands)		(in thousands)		
Available-for-sale marketable securities:					
Unrealized (losses) gains, net of tax of \$0, 2, \$(27), \$(24), respectively	\$ —	\$ 7	\$ (89)	\$ (86)	Other (income) expense, net
Cash flow hedges:					
Unrealized (losses) gains, net of tax of \$0, \$0, \$100, \$500, respectively	—	—	350	1,780	Revenue
Defined benefit pension and postretirement plans:					
Amortization of prior service credit, net of tax of \$0, \$0, \$1, \$1, respectively	2	2	6	6	(a)
Total reclassifications, net of tax of \$0, \$2, \$74, \$477, respectively	<u>\$ 2</u>	<u>\$ 9</u>	<u>\$ 267</u>	<u>\$ 1,700</u>	Net income

(a) The amortization of prior service credit is included in the computation of net periodic postretirement benefit cost. See Note R: "Retirement Plans."

O. GOODWILL AND ACQUIRED INTANGIBLE ASSETS

Goodwill

Goodwill is considered impaired when the carrying value of a reporting unit exceeds its estimated fair value. Teradyne performs its annual goodwill impairment test as required under the provisions of Accounting Standards Codification ("ASC") 350-10, "Intangibles—Goodwill and Other" on December 31 of each fiscal year unless there are negative qualitative factors relating to macroeconomic conditions, industry and market considerations, cost factors, overall financial performance, and other relevant events and changes during an interim period. The presence of such factors could, under certain circumstances, be a triggering event that causes us to perform a goodwill impairment test.

At June 29, 2025, the Company identified a triggering event for the Robotics reporting unit and performed an interim impairment test of the related goodwill and long-lived assets, including intangible assets. Based on the analysis performed, Teradyne did not record an impairment.

At September 28, 2025, Teradyne assessed the above factors for all reporting units, including the Robotics reporting unit, and performed a triggering event assessment, concluding that no events or circumstances occurred that indicated it was more likely than not that the fair value was below its carrying amount. Accordingly, the Company did not identify a triggering event and no quantitative impairment test of goodwill was required.

The changes in the carrying amount of goodwill by reportable segments for the nine months ended September 28, 2025, were as follows:

	Robotics	Semiconductor Test	Product Test	Total
	(in thousands)			
Balance at December 31, 2024				
Goodwill	\$ 375,298	\$ 262,117	\$ 520,518	\$ 1,157,933
Accumulated impairment losses	—	(260,540)	(502,026)	(762,566)
Total Goodwill	375,298	1,577	18,492	395,367
AET acquisition	—	1,257	—	1,257
Quantifi acquisition	—	—	83,068	83,068
Foreign currency translation adjustment	39,648	210	—	39,858
Balance at September 28, 2025				
Goodwill	\$ 414,946	\$ 263,584	\$ 603,586	\$ 1,282,116
Accumulated impairment losses	—	(260,540)	(502,026)	(762,566)
Total Goodwill	\$ 414,946	\$ 3,044	\$ 101,560	\$ 519,550

Intangible Assets

Teradyne reviews long-lived assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable or that the useful lives of these assets are no longer appropriate.

Amortizable intangible assets consist of the following and are included in intangible assets, net on the balance sheet:

	Gross Carrying Amount (1)	Accumulated Amortization (1)	Foreign Currency Translation Adjustment	Net Carrying Amount
	(in thousands)			
Balance at September 28, 2025				
Developed technology	\$ 250,025	\$ (208,314)	\$ 60	\$ 41,771
Customer relationships	56,480	(51,335)	204	5,349
Tradenames and trademarks	40,487	(31,853)	(1,046)	7,588
Total intangible assets	\$ 346,992	\$ (291,502)	\$ (782)	\$ 54,708
Balance at December 31, 2024				
Developed technology	\$ 267,706	\$ (255,448)	\$ (5,820)	\$ 6,438
Customer relationships	52,109	(49,562)	204	2,751
Tradenames and trademarks	59,007	(50,805)	(1,464)	6,738
Total intangible assets	\$ 378,822	\$ (355,815)	\$ (7,080)	\$ 15,927

- (1) In the nine months ended September 28, 2025, \$81.8 million of amortizable intangible assets became fully amortized and have been eliminated from the gross carrying amount and accumulated amortization.

Aggregate intangible asset amortization expense was \$3.5 million and \$11.8 million, respectively, for the three and nine months ended September 28, 2025, and \$4.7 million and \$14.1 million, respectively, for the three and nine months ended September 29, 2024.

Estimated intangible asset amortization expense for each of the five succeeding fiscal years and thereafter is as follows:

Year	Amortization Expense (in thousands)
2025	\$ 3,409
2026	8,215
2027	6,999
2028	6,918
2029	5,557
Thereafter	23,610

P. NET INCOME PER COMMON SHARE

The following table sets forth the computation of basic and diluted net income per common share:

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(in thousands, except per share amounts)		(in thousands, except per share amounts)	
Net income for basic and diluted net income per share	\$ 119,558	\$ 145,649	\$ 296,827	\$ 396,119
Weighted average common shares-basic	158,595	163,002	160,021	157,951
Effect of dilutive potential common shares:				
Restricted stock units	495	768	366	637
Stock options	4	13	3	13
Employee stock purchase plan	3	10	19	5
Convertible note hedge warrant shares (1)	—	460	—	4,751
Dilutive potential common shares	502	1,251	388	5,406
Weighted average common shares-diluted	159,097	164,253	160,409	163,357
Net income per common share-basic	\$ 0.75	\$ 0.89	\$ 1.85	\$ 2.51
Net income per common share-diluted	\$ 0.75	\$ 0.89	\$ 1.85	\$ 2.42

- (1) Convertible notes hedge warrant shares were calculated using the difference between the average Teradyne stock price for the period and the warrant price, multiplied by the number of warrant shares. The result of this calculation, representing the total intrinsic value of the warrant, was divided by the average Teradyne stock price for the period.

The computation of diluted net income per common share for the three and nine months ended September 28, 2025, excludes the effect of the potential vesting of 0.2 million and 0.7 million, respectively, of restricted stock units because the effect would have been anti-dilutive.

The computation of diluted net income per common share for the three and nine months ended September 29, 2024, excludes the effect of the potential vesting of 0.1 million and 0.5 million, respectively, of restricted stock units because the effect would have been anti-dilutive.

Q. RESTRUCTURING AND OTHER

During the three months ended September 28, 2025, Teradyne recorded \$4.8 million of severance charges, \$3.6 million of which is related to headcount reductions in Robotics. During the three months ended September 28, 2025, Teradyne made \$1.1 million

of Robotics severance payments. Teradyne expects all Robotics severance payments to be made prior to the end of the third quarter of 2026.

During the three months ended September 29, 2024, Teradyne recorded restructuring and other charges primarily related to \$1.3 million of severance charges related to headcount reductions principally in Robotics.

During the nine months ended September 28, 2025, Teradyne recorded \$18.5 million of severance charges, \$13.5 million of which is related to the Robotics restructuring which impacted approximately 150 employees, \$2.2 million of which is related to Product Test and \$1.4 million of which is related to Semiconductor Test. During the nine months ended September 28, 2025, Teradyne made \$9.2 million of Robotics severance payments. Teradyne expects all Robotics severance payments to be made prior to the end of the third quarter of 2026. Additionally, Teradyne recorded \$2.0 million of acquisition and divestiture expenses related primarily to the Quantifi Acquisition and \$1.5 million of charges related to lease terminations.

During the nine months ended September 29, 2024, Teradyne recorded restructuring and other charges primarily related to \$5.3 million of severance and other charges, related to headcount reductions of 87 people primarily in Robotics and Semiconductor Test, which included charges related to a voluntary early retirement program for employees meeting certain conditions, and \$2.2 million of acquisition and divestiture expenses related to the Technoprobe transactions.

R. RETIREMENT PLANS

ASC 715, “Compensation—Retirement Benefits,” requires an employer with defined benefit plans or other postretirement benefit plans to recognize an asset or a liability on its balance sheet for the overfunded or underfunded status of the plans as defined by ASC 715. The pension asset or liability represents a difference between the fair value of the pension plan’s assets and the projected benefit obligation at December 31. Teradyne uses a December 31 measurement date for all its plans.

Defined Benefit Pension Plans

Teradyne has defined benefit pension plans covering a portion of domestic employees and employees of certain non-U.S. subsidiaries. Benefits under these plans are based on employees’ years of service and compensation. Teradyne’s funding policy is to make contributions to these plans in accordance with local laws and to the extent that such contributions are tax deductible. The assets of the U.S. qualified pension plan consist primarily of fixed income and equity securities. In addition, Teradyne has an unfunded supplemental executive defined benefit plan in the United States to provide retirement benefits in excess of levels allowed by the Employment Retirement Income Security Act (“ERISA”) and the Internal Revenue Code (the “IRC”), as well as unfunded qualified foreign plans.

During the three months ended September 28, 2025, Teradyne recognized a non-cash settlement gain of \$0.8 million related to lump sum distributions paid to retired or terminated employees. The charge is the result of the aggregate of the cumulative lump sum distributions exceeded the total annual service and interest costs. Due to the remeasurement, the reduction in pension benefit obligation and pension assets was \$4.7 million.

During the three months ended September 29, 2024, Teradyne purchased a group annuity contract for its retiree participants in the U.S. qualified pension plan. Under the group annuity, the accrued pension obligation for 132 retiree participants were transferred to an insurance company. The reduction in the pension benefit obligation and pension assets was \$23.4 million. During the three and nine months ended September 29, 2024, Teradyne recorded settlement expense of \$0.4 million related to the retiree group annuity transaction.

In the nine months ended September 28, 2025, and September 29, 2024, Teradyne contributed \$2.4 million and \$2.3 million, respectively, to the U.S. supplemental executive defined benefit pension plan, and \$3.6 million and \$0.8 million, respectively, to certain qualified pension plans for non-U.S. subsidiaries.

For the three and nine months ended September 28, 2025, and September 29, 2024, Teradyne's net periodic pension cost was comprised of the following:

	For the Three Months Ended			
	September 28, 2025		September 29, 2024	
	United States	Foreign	United States	Foreign
	(in thousands)			
Service cost	\$ 153	\$ 149	\$ 216	\$ 119
Interest cost	1,426	300	1,590	256
Expected return on plan assets	(989)	(24)	(1,204)	(23)
Net actuarial loss (gain)	—	—	(2,262)	—
Settlement loss (gain)	(800)	—	—	—
Settlement expense	—	—	394	—
Total net periodic pension cost	<u>\$ (210)</u>	<u>\$ 425</u>	<u>\$ (1,266)</u>	<u>\$ 352</u>

	For the Nine Months Ended			
	September 28, 2025		September 29, 2024	
	United States	Foreign	United States	Foreign
	(in thousands)			
Service cost	\$ 462	\$ 437	\$ 665	\$ 360
Interest cost	4,299	892	4,883	766
Expected return on plan assets	(2,970)	(71)	(3,737)	(58)
Net actuarial loss (gain)	41	—	(2,151)	(242)
Settlement loss (gain)	(800)	—	—	—
Settlement expense	—	—	394	(24)
Total net periodic pension cost	<u>\$ 1,032</u>	<u>\$ 1,258</u>	<u>\$ 54</u>	<u>\$ 802</u>

Postretirement Benefit Plan

In addition to receiving pension benefits, Teradyne employees in the United States who meet early retirement eligibility requirements as of their termination dates may participate in Teradyne's Welfare Plan, which includes medical and dental benefits up to age 65. Death benefits provide a fixed sum to retirees' survivors and are available to all retirees. Substantially all of Teradyne's current U.S. employees could become eligible for these benefits and the existing benefit obligation relates primarily to those employees. During the nine months ended September 28, 2025, Teradyne recorded special termination benefit charges associated with a voluntary early retirement program.

For the three and nine months ended September 28, 2025, and September 29, 2024, Teradyne's net periodic postretirement benefit cost was comprised of the following:

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
	(in thousands)		(in thousands)	
Service cost	\$ 9	\$ 9	\$ 27	\$ 28
Interest cost	76	72	229	217
Amortization of prior service credit	(2)	(2)	(7)	(7)
Special termination benefits	—	—	684	462
Net actuarial loss (gain)	—	—	87	(94)
Total net periodic postretirement benefit cost	<u>\$ 83</u>	<u>\$ 79</u>	<u>\$ 1,020</u>	<u>\$ 606</u>

S. COMMITMENTS AND CONTINGENCIES

Purchase Commitments

As of September 28, 2025, Teradyne had entered into purchase commitments for certain components and materials. The purchase commitments covered by the agreements aggregate to approximately \$730.0 million, of which \$715.7 million is for less than one year.

Legal Claims

Teradyne is subject to various legal proceedings and claims which have arisen in the ordinary course of business such as, but not limited to, patent, employment, commercial and environmental matters. Teradyne believes that it has meritorious defenses against all pending claims and intends to vigorously contest them. While it is not possible to predict or determine the outcomes of any pending claims or to provide possible ranges of losses that may arise, Teradyne believes the potential losses associated with all of these actions are unlikely to have a material adverse effect on its business, financial position or results of operations.

Guarantees and Indemnification Obligations

Teradyne provides indemnification, to the extent permitted by law, to its officers, directors, employees and agents for liabilities arising from certain events or occurrences, while the officer, director, employee, or agent, is or was serving, at Teradyne's request in such capacity. Teradyne may enter into indemnification agreements with certain of its officers and directors. With respect to acquisitions, Teradyne provides indemnifications to or assumes indemnification obligations for the current and former directors, officers and employees of the acquired companies in accordance with the acquired companies' by-laws and charter. As a matter of practice, Teradyne has maintained directors' and officers' liability insurance coverage including coverage for directors and officers of acquired companies.

Teradyne enters into agreements in the ordinary course of business with customers, resellers, distributors, integrators and suppliers. Most of these agreements require Teradyne to defend and/or indemnify the other party against intellectual property infringement claims brought by a third party with respect to Teradyne's products. From time to time, Teradyne also indemnifies customers and business partners for damages, losses and liabilities they may suffer or incur relating to personal injury, personal property damage, product liability, breach of confidentiality obligations and environmental claims relating to the use of Teradyne's products and services or resulting from the acts or omissions of Teradyne, its employees, authorized agents or subcontractors. On occasion, Teradyne has also provided guarantees to customers regarding the delivery and performance of its products in addition to the warranty described below.

As a matter of ordinary course of business, Teradyne warrants that its products will substantially perform in accordance with its standard published specifications in effect at the time of delivery. Most warranties have a one-year duration commencing from installation. A provision is recorded upon revenue recognition to cost of revenues for estimated warranty expense based upon historical experience. When Teradyne receives revenue for extended warranties beyond the standard duration, the revenue is deferred and recognized on a straight-line basis over the contract period. Related costs are expensed as incurred. As of September 28, 2025, and December 31, 2024, Teradyne had a product warranty accrual of \$13.1 million and \$13.0 million, respectively, included in other accrued liabilities and revenue deferrals related to extended warranties of \$51.0 million and \$41.6 million, respectively, included in short and long-term deferred revenue and customer advances.

In addition, in the ordinary course of business, Teradyne provides minimum purchase guarantees to certain vendors to ensure continuity of supply against the market demand. Although some of these guarantees provide penalties for cancellations and/or modifications to the purchase commitments as the market demand decreases, most of the guarantees do not. Therefore, as the market demand decreases, Teradyne re-evaluates these guarantees and determines what charges, if any, should be recorded.

With respect to its agreements covering product, business or entity divestitures and acquisitions, Teradyne provides certain representations, warranties and covenants to purchasers and agrees to indemnify and hold such purchasers harmless against breaches of such representations, warranties and covenants. Many of the indemnification claims have a definite expiration date while some remain in force indefinitely. With respect to its acquisitions, Teradyne may, from time to time, assume the liability for certain events or occurrences that took place prior to the date of acquisition.

As a matter of ordinary course of business, Teradyne occasionally guarantees certain indebtedness obligations of its subsidiary companies, limited to the borrowings from financial institutions, purchase commitments to certain vendors and lease commitments to landlords.

Based on historical experience and information known as of September 28, 2025, and December 31, 2024, except for product warranty, Teradyne has not recorded any liabilities for these guarantees and obligations because the amount would be immaterial.

T. INCOME TAXES

The effective tax rate for the three months ended September 28, 2025, and September 29, 2024, was 15.8% and 7.8%, respectively. The increase in the effective tax rate from the three months ended September 29, 2024, to the three months ended September 28, 2025, is primarily attributable to decreases in benefits related to reserves for uncertain tax positions, tax credits and the international provision of the U.S. Tax Cuts and Jobs Act of 2017. These were partially offset by an increase in benefit from a projected shift in the geographic distribution of income.

The effective tax rate for the nine months ended September 28, 2025, and September 29, 2024, was 13.8% and 12.0%, respectively. The increase in the effective tax rate from the nine months ended September 29, 2024, to the nine months ended September 28, 2025, is primarily attributable to decreases in benefits related to reserves for uncertain tax positions and tax credits partially offset by an increase in benefit from a projected shift in the geographic distribution of income.

On a quarterly basis, Teradyne evaluates the realizability of the deferred tax assets by jurisdiction and assesses the need for a valuation allowance. As of September 28, 2025, Teradyne believes that it will ultimately realize the deferred tax assets recorded on the condensed consolidated balance sheet. However, should Teradyne believe that it is more-likely-than-not that the deferred tax assets would not be realized, the tax provision would increase in the period in which Teradyne determined that the realizability was not likely. Teradyne considers the probability of future taxable income and historical profitability, among other factors, in assessing the realizability of the deferred tax assets.

As of both September 28, 2025, and December 31, 2024, Teradyne had \$6.8 million of reserves for uncertain tax positions.

As of September 28, 2025, Teradyne estimates that it is reasonably possible that the balance of unrecognized tax benefits may decrease approximately \$0.7 million in the next twelve months because of a lapse of statutes of limitation. The estimated decrease relates to U.S. federal research and development credits.

Teradyne recognizes interest and penalties related to income tax matters in income tax expense. As of September 28, 2025, and December 31, 2024, \$0.3 million and \$0.3 million, respectively, of interest and penalties were accrued for uncertain tax positions. For the nine months ended September 28, 2025, and September 29, 2024, an expense of \$0.0 million and a benefit of \$1.0 million, respectively, was recorded for interest and penalties related to income tax items.

Teradyne qualifies for a tax holiday in Singapore by fulfilling the requirements of an agreement with the Singapore Economic Development Board under which certain headcount and spending requirements must be met, which is scheduled to expire on December 31, 2025. The tax savings due to the tax holiday for the nine months ended September 28, 2025, were \$7.4 million, or \$0.05 per diluted share. The tax savings due to the tax holiday for the nine months ended September 29, 2024, were \$10.2 million, or \$0.06 per diluted share. Teradyne is working with the Singapore Economic Development Board on a new tax holiday with substantially similar terms to the current agreement.

The Organization for Economic Cooperation and Development (the "OECD") has introduced a framework to implement a global minimum tax of 15% for certain multinational companies, referred to as Pillar Two. While it is uncertain whether the United States will enact legislation to adopt Pillar Two, certain countries in which Teradyne operates have enacted Pillar Two legislation, and other countries are in the process of introducing draft Pillar Two legislation. Teradyne is closely monitoring these developments and evaluating the potential future impact on its effective tax rate.

On July 4, 2025, H.R. 1, commonly referred to as the "One Big Beautiful Bill Act" ("OBBBA"), was signed into law, enacting significant changes to U.S. corporate tax law. As of September 28, 2025, the condensed consolidated financial statements were not materially impacted by the OBBBA. Teradyne continues to evaluate the provisions of the OBBBA and will incorporate any necessary adjustments as further guidance becomes available.

U. SEGMENT INFORMATION

As of December 31, 2024, Teradyne had two reportable segments (Semiconductor Test and Robotics) and four operating segments (Semiconductor Test, System Test, Wireless Test, and Robotics). Effective March 2025, Teradyne's Chief Operating Decision Maker ("CODM") (Teradyne's Chief Executive Officer) placed Regan Mills as President, Product Test, which as of that date included Production Board Test, Defense/Aerospace, and Wireless Test. As noted in 'Note D. Acquisitions' and based on the underlying business activities and established reporting structure, upon acquisition, PIC Testing was aggregated into Product Test. As a result, Teradyne has three reportable segments (Semiconductor Test, Robotics, and Product Test). As of September 28, 2025, each of Teradyne's reportable segments represents an individual operating segment. All prior period disclosures have been recast to conform to the current segment structure and presentation requirements.

The Semiconductor Test segment includes operations related to the design, manufacturing and marketing of semiconductor test products and services inclusive of storage and system level test products. The Robotics segment includes operations related to the design, manufacturing and marketing of collaborative robotic arms and autonomous mobile robots. The Product Test segment includes operations related to the design, manufacturing and marketing of products and services for defense/aerospace test, circuit-board test, wireless test systems, and silicon photonics testing. Each reportable segment has a segment manager who is accountable to and maintains regular contact with Teradyne's CODM to discuss operating activities, financial results, forecasts, and plans for the segment.

The CODM uses business segment income (loss) before income taxes predominantly in the annual budgeting and forecasting process. The CODM also uses this measure when making decisions about the allocation of operating and capital resources to each segment. The accounting policies of the business segments are the same as those described in Teradyne's Annual Report on Form 10-K in Note B: "Accounting Policies."

Segment information for the three and nine months ended September 28, 2025, and September 29, 2024, is as follows:

	Semiconductor Test	Robotics	Product Test	Total Reportable Segments	Corporate and Eliminations	Consolidated
	(in thousands)					
Three months ended September 28, 2025						
Revenues	\$ 605,867	\$ 75,087	\$ 88,256	\$ 769,210	\$ —	\$ 769,210
Less:						
Cost of revenues	248,971	32,974	32,323	314,268	—	314,268
Engineering and development	85,331	14,395	13,106	112,832	—	112,832
Selling and marketing	58,983	23,400	12,703	95,086	—	95,086
General and administrative	27,161	9,746	6,108	43,015	(298)	42,717
Other segment items (1)(2)	34,589	12,139	8,120	54,848	1,359	56,207
Income (loss) before taxes (2)	150,832	(17,567)	15,896	149,161	(1,061)	148,100
Total assets (3)	1,564,196	739,066	371,793	2,675,055	1,288,676	3,963,731
Property additions	40,341	1,450	4,901	46,692	—	46,692
Depreciation and amortization expense	22,979	4,615	2,919	30,513	3	30,516
Three months ended September 29, 2024						
Revenues	\$ 568,518	\$ 88,651	\$ 80,129	\$ 737,298	\$ —	\$ 737,298
Less:						
Cost of revenues	223,828	36,367	30,057	290,252	—	290,252
Engineering and development	74,007	17,438	11,857	103,302	—	103,302
Selling and marketing	46,332	29,408	12,901	88,641	—	88,641
General and administrative	23,208	15,292	5,394	43,894	(1,356)	42,538
Other segment items (1)(2)	33,722	14,352	6,762	54,836	(1,255)	53,581
Income (loss) before taxes (2)	167,421	(24,206)	13,158	156,373	2,611	158,984
Total assets (3)	1,360,277	794,277	202,927	2,357,481	1,412,247	3,769,728
Property additions	42,802	6,441	2,598	51,841	—	51,841
Depreciation and amortization expense	21,278	7,338	1,684	30,300	(11)	30,289
Nine months ended September 28, 2025						
Revenues	\$ 1,640,249	\$ 218,940	\$ 247,498	\$ 2,106,687	\$ —	\$ 2,106,687
Less:						
Cost of revenues	658,919	99,421	95,448	853,788	—	853,788
Engineering and development	247,668	44,319	37,319	329,306	—	329,306
Selling and marketing	163,270	72,155	36,103	271,528	—	271,528
General and administrative	79,845	29,490	16,773	126,108	2,383	128,491
Other segment items (1)(2)	88,150	46,832	21,771	156,753	3,137	159,890
Income (loss) before taxes (2)	402,397	(73,277)	40,084	369,204	(5,520)	363,684
Total assets (3)	1,564,196	739,066	371,793	2,675,055	1,288,676	3,963,731
Property additions	143,666	7,654	10,966	162,286	—	162,286
Depreciation and amortization expense	69,239	16,624	6,351	92,214	(7)	92,207
Nine months ended September 29, 2024						
Revenues	\$ 1,563,204	\$ 266,552	\$ 237,240	\$ 2,066,996	\$ —	\$ 2,066,996
Less:						
Cost of revenues	647,625	108,229	86,984	842,838	—	842,838
Engineering and development	210,616	49,412	34,546	294,574	—	294,574
Selling and marketing	138,432	82,809	37,103	258,344	—	258,344
General and administrative	65,794	40,938	15,758	122,490	398	122,888
Other segment items (1)(2)	92,714	41,263	19,904	153,881	(56,818)	97,063
Income (loss) before taxes (2)	408,023	(56,099)	42,945	394,869	56,420	451,289
Total assets (3)	1,360,277	794,277	202,927	2,357,481	1,412,247	3,769,728
Property additions	115,041	19,760	5,909	140,710	—	140,710
Depreciation and amortization expense	62,542	20,896	5,149	88,587	26	88,613

- (1) For each reportable segment, the other segment items category includes equity and variable compensation, acquired intangible assets amortization, inventory step-up, and restructuring and other charges.
- (2) Included in Corporate and Eliminations are interest income, interest expense, net foreign exchange gains (losses), intercompany eliminations, severance charges, pension and postretirement plan actuarial gains (losses), acquisition and divestiture related expenses, ERP implementation related costs, and an expense for the modification of outstanding equity awards.
- (3) Total assets are attributable to each segment. Corporate assets consist of cash and cash equivalents, marketable securities, and certain other assets.

V. SHAREHOLDERS' EQUITY

Stock Repurchase Program

In January 2023, Teradyne's Board of Directors cancelled its January 2021 repurchase program and approved a new repurchase program for up to \$2.0 billion of common stock. As of January 1, 2023, share repurchases in excess of issuances are subject to a 1% excise tax, which is included as part of the cost basis of the shares acquired. Teradyne intends to repurchase up to a total of \$1.0 billion of its common stock in 2025 and 2026 based on market conditions.

During the nine months ended September 28, 2025, Teradyne repurchased 5.1 million shares of common stock for a total cost of \$523.5 million at an average price of \$102.01 per share. The cumulative repurchases under the January 2023 repurchase program as of September 28, 2025, were 10.8 million shares of common stock for \$1,123.4 million at an average price per share of \$104.21.

During the nine months ended September 29, 2024, Teradyne repurchased 0.5 million shares of common stock for a total cost of \$55.1 million at an average price of \$111.32 per share.

The total cost of shares acquired includes commissions and related excise tax and is recorded as a reduction to retained earnings.

Dividend

Holders of Teradyne's common stock are entitled to receive dividends when they are declared by Teradyne's Board of Directors.

In January 2025, May 2025, and August 2025, Teradyne's Board of Directors declared a quarterly cash dividend of \$0.12 per share. Dividend payments for the three and nine months ended September 28, 2025, were \$19.0 million and \$57.6 million, respectively.

In January 2024, May 2024, and August 2024, Teradyne's Board of Directors declared a quarterly cash dividend of \$0.12 per share. Dividend payments for the three and nine months ended September 29, 2024, were \$19.6 million and \$57.0 million, respectively.

W. SUBSEQUENT EVENTS

On October 28, 2025 the Company announced the appointment of Michelle Turner as Chief Financial Officer, effective November 3, 2025. This leadership change was approved subsequent to the end of the reporting period and will become effective following the filing of this Quarterly Report on Form 10-Q. The appointment does not impact the Company's financial condition or results of operations as of September 28, 2025.

Item 2: Management’s Discussion and Analysis of Financial Condition and Results of Operations

Statements in this Quarterly Report on Form 10-Q which are not historical facts, so called “forward-looking statements,” are made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended. Investors are cautioned that all forward-looking statements involve risks and uncertainties, including those detailed in our filings with the Securities and Exchange Commission. See also Part II, Item 1A of this Quarterly Report on Form 10-Q and Part I, Item 1A “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024. Readers are cautioned not to place undue reliance on these forward-looking statements which reflect management’s analysis only as of the date hereof. We assume no obligation to update these forward-looking statements to reflect actual results or changes in factors or assumptions affecting forward-looking statements, except as may be required by law.

Overview

We are a leading global provider of automated test equipment and robotics products. Our automated test systems are used to test semiconductors, wireless products, data storage, silicon photonics, and complex electronics systems in many industries including consumer electronics, wireless, automotive, industrial, computing, communications, and aerospace and defense industries. Our robotics product offerings consist primarily of collaborative robotic arms and autonomous mobile robots used by global manufacturing, logistics and industrial customers to improve quality and increase manufacturing and material handling efficiency, while reducing costs. In the first quarter of 2025, we identified opportunities for operational synergies amongst our production board test, defense and aerospace, and wireless test businesses leading to the creation of the Product Test division as a new segment effective March 2025. Our automated test equipment and robotics products and services include:

- semiconductor test (“Semiconductor Test”) systems;
- robotics (“Robotics”) products; and
- product test (“Product Test”) systems, which includes defense/aerospace (“Defense/Aerospace”) test instrumentation and systems, circuit-board test and inspection (“Production Board Test”) systems, wireless test systems (“Wireless Test”), and photonic integrated circuit (“PIC”) test solutions.

The market for our test products is concentrated with a limited number of significant customers accounting for a substantial portion of the purchases of test equipment. A few customers drive significant demand for our products both through direct sales and sales to the customer’s supply partners. We expect that sales of our test products will continue to be concentrated with a limited number of significant customers for the foreseeable future.

Artificial Intelligence applications and data center power demand drove strong third quarter performance with our customers accelerating development and ramping production for a wide range of devices. We expect this acceleration to continue and even expand into the fourth quarter and into 2026 and are currently investing in sales, engineering, and support to pursue these, and additional, market opportunities in Semiconductor Test. Robotics revenue in the third quarter was flat with second quarter sales due to ongoing business environment challenges. Our focus in the Robotics segment remains on operating expense management and our channel transformation strategy as we transition toward serving large direct customers and building a Robotics organization that can grow profitably over the mid-term.

On May 31, 2025, we acquired privately held Quantifi Photonics (“Quantifi”), a leader in PIC test solutions for a total purchase price of approximately \$127.2 million. This acquisition enables the delivery of scalable PIC test solutions and is included in our Product Test segment. Over time, we also intend to leverage the engineering expertise and technology to enhance functionality and create additional differentiation in our Semiconductor Test business, specifically with integration into our UltraFlexPlus platform.

On January 31, 2025, we acquired Infineon Technologies AG’s (“Infineon”) automated test equipment technology and associated development team (“AET”) based in Regensburg, Germany for a total purchase price of 17.6 million Euros, equivalent to \$18.3 million. AET adds resources and expertise to our company and strengthens the relationship between Teradyne and this key customer. AET is included in our Semiconductor Test segment.

While revenues in our test businesses are predominantly in U.S. dollars, the majority of our Robotics revenue is denominated in foreign currencies. Strengthening of the U.S. dollar has, and will continue to, negatively affect Robotics revenue throughout 2025.

Our capital allocation plan will continue to be balanced between investing in organic and inorganic growth and returning cash to shareholders through share repurchases and dividends. During the first nine months of 2025 we completed the acquisitions of Quantifi and AET and additionally, we returned \$576.3 million to shareholders through \$518.7 million of share buybacks and \$57.6 million of dividend payments.

On July 4, 2025, H.R. 1, commonly referred to as the "One Big Beautiful Bill Act" ("OBBBA"), was signed into law, enacting significant changes to U.S. corporate tax law. The OBBBA modified and made permanent several provisions of the Tax Cuts and Jobs Act, including reductions in scheduled increases for the rate of taxation of foreign income, immediate deductibility of U.S. research and development expenses, and reinstatement of 100% bonus depreciation for qualified property. As of September 28, 2025, the condensed consolidated financial statements were not materially impacted by the OBBBA. Teradyne continues to evaluate the provisions of the OBBBA and will incorporate any necessary adjustments as further guidance becomes available.

While it is difficult to quantify the exact impact, current trade restrictions are limiting our ability to be competitive particularly in certain markets, where other companies are not subjected to the same restrictions. Current tariffs have not had a material impact on our business operations or financial results, however, the global trade environment remains dynamic and subject to change. We continue to monitor developments in international trade policy, including potential changes to tariffs, further export controls, and other regulatory measures that could affect our supply chain, cost structure, or market access.

For information regarding risks associated with import-export control regulations and similar applicable laws and regulations, see Part II - Item 1A "Risk Factors- Risks Related to Legal and Regulatory Compliance" included elsewhere in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Critical Accounting Policies and Estimates

We have identified the policies which are critical to understanding our business and our results of operations. There have been no significant changes during the nine months ended September 28, 2025, to the items disclosed as our critical accounting policies and estimates in Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Critical accounting estimates are complex and may require significant judgment by management. Changes to the underlying assumptions may have a material impact on our financial condition and results of operations. These estimates may change, as new events occur and additional information is obtained. Actual results could differ significantly from these estimates under different assumptions or conditions.

Preparation of Financial Statements and Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and judgments that affect the amounts reported in the financial statements. Actual results may differ significantly from these estimates under different assumptions or conditions.

**SELECTED RELATIONSHIPS WITHIN THE CONDENSED CONSOLIDATED
STATEMENTS OF OPERATIONS**

	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Percentage of revenues:				
Revenues:				
Products	82%	83%	81%	81%
Services	18	17	19	19
Total revenues	100	100	100	100
Cost of revenues:				
Cost of products	35	34	35	34
Cost of services	6	6	7	8
Total cost of revenues (exclusive of acquired intangible assets amortization shown separately below)	42	41	41	42
Gross profit	58	59	59	58
Operating expenses:				
Selling and administrative	22	21	23	22
Engineering and development	16	16	17	16
Acquired intangible assets amortization	—	1	1	1
Restructuring and other	1	1	1	1
Gain on sale of business	—	—	—	(3)
Total operating expenses	40	39	42	37
Income from operations	19	21	17	21
Non-operating (income) expense:				
Interest income	—	(1)	(1)	(1)
Interest expense	—	—	—	—
Other (income) expense, net	—	—	—	1
Income before income taxes and equity in net earnings of affiliate	19	22	17	22
Income tax provision	3	2	2	3
Income before equity in net earnings of affiliate	16	20	15	19
Equity in net earnings of affiliate	(1)	(0)	(1)	(0)
Net income	16%	20%	14%	19%

Results of Operations

Third Quarter 2025 Compared to Third Quarter 2024

Revenues

Revenues by our reportable segments were as follows:

	For the Three Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
	(in millions)		
Semiconductor Test	\$ 605.9	\$ 568.5	\$ 37.4
Product Test	88.3	80.1	8.2
Robotics	75.1	88.7	(13.6)
	<u>\$ 769.2</u>	<u>\$ 737.3</u>	<u>\$ 31.9</u>

The increase in Semiconductor Test revenues of \$37.4 million, or 6.6%, was driven primarily by higher sales in compute related to artificial intelligence applications. The increase in Product Test revenues of \$8.2 million, or 10.2%, was driven by higher Defense/Aerospace sales. The decrease in Robotics revenues of \$13.6 million, or 15.3%, was primarily due to lower sales of collaborative robotic arms.

Revenues by country as a percentage of total revenues were as follows (1):

	For the Three Months Ended	
	September 28, 2025	September 29, 2024
Taiwan	37%	26%
China	17	13
United States	12	12
Korea	12	26
Europe	7	8
Malaysia	5	2
Philippines	3	2
Thailand	3	2
Japan	1	2
Singapore	1	2
Rest of World	2	5
	<u>100%</u>	<u>100%</u>

(1) Revenues attributable to a country are based on location of customer site.

Gross Profit

Our gross profit was as follows:

	For the Three Months Ended		Dollar/Point Change
	September 28, 2025	September 29, 2024	
	(in millions)		
Gross profit	\$ 449.3	\$ 436.5	\$ 12.8
Percent of total revenues	58.4%	59.2%	(0.8)

Gross profit as a percent of revenue decreased by 0.8 points, primarily due to product mix in Semiconductor Test.

Selling and Administrative

Selling and administrative expenses were as follows:

	For the Three Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
		(in millions)	
Selling and administrative	\$ 169.1	\$ 157.6	\$ 11.5
Percent of total revenues	22.0%	21.4%	

The increase of \$11.5 million in selling and administrative expenses was primarily driven by strategic investments in Semiconductor Test.

Engineering and Development

Engineering and development expenses were as follows:

	For the Three Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
		(in millions)	
Engineering and development	\$ 124.8	\$ 117.5	\$ 7.3
Percent of total revenues	16.2%	15.9%	

The increase of \$7.3 million in engineering and development expenses was primarily driven by strategic investments in Semiconductor Test.

Restructuring and Other

During the three months ended September 28, 2025, we recorded \$4.8 million of severance charges, \$3.6 million of which is related to headcount reductions in Robotics. During the three months ended September 28, 2025, we made \$1.1 million of Robotics severance payments. We expect all Robotics severance payments to be made prior to the end of the third quarter of 2026.

During the three months ended September 29, 2024, we recorded restructuring and other charges primarily related to \$1.3 million of severance charges related to headcount reductions principally in Robotics.

Interest and Other

	For the Three Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
		(in millions)	
Interest income	\$ (3.2)	\$ (5.1)	\$ 1.9
Interest expense	1.3	0.8	\$ 0.5
Other (income) expense, net	(0.9)	(2.7)	\$ 1.8

The decrease in interest income was driven primarily by lower cash balances in the current period.

Income (Loss) Before Income Taxes and Equity in Net Earnings of Affiliate

	For the Three Months Ended		
	September 28, 2025	September 29, 2024	Dollar Change
	(in millions)		
Semiconductor Test	\$ 150.8	\$ 167.4	\$ (16.6)
Product Test	15.9	13.2	2.7
Robotics	(17.6)	(24.2)	6.6
Corporate and Eliminations (1)	(1.1)	2.6	(3.7)
	<u>\$ 148.1</u>	<u>\$ 159.0</u>	<u>\$ (10.9)</u>

- (1) Included in Corporate and Eliminations are interest income, interest expense, net foreign exchange gains (losses), intercompany eliminations, severance charges, pension and postretirement plan actuarial gains (losses), acquisition and divestiture related expenses, and gain on sale of business.

The decrease in income before income taxes and equity in net earnings of affiliate in Semiconductor Test was driven primarily by product mix and investments in strategic projects partially offset by higher volume. The increase in income before income taxes and equity in net earnings of affiliate in Robotics was primarily due to lower operating expenses primarily as a result of restructuring actions.

Income Taxes

The effective tax rate for the three months ended September 28, 2025, and September 29, 2024, was 15.8% and 7.8%, respectively. The increase in the effective tax rate from the three months ended September 29, 2024, to the three months ended September 28, 2025, is primarily attributable to decreases in benefits related to reserves for uncertain tax positions, tax credits and the international provision of the U.S. Tax Cuts and Jobs Act of 2017. These were partially offset by an increase in benefit from a projected shift in the geographic distribution of income.

Nine Months 2025 Compared to Nine Months 2024

Revenues

Revenues by our reportable segments were as follows:

	For the Nine Months Ended		
	September 28, 2025	September 29, 2024	Dollar Change
	(in millions)		
Semiconductor Test	\$ 1,640.2	\$ 1,563.2	\$ 77.0
Product Test	247.5	237.2	10.3
Robotics	218.9	266.6	(47.7)
	<u>\$ 2,106.7</u>	<u>\$ 2,067.0</u>	<u>\$ 39.7</u>

The increase in Semiconductor Test revenues of \$77.0 million, or 4.9%, was driven primarily by higher sales in mobility and compute related to artificial intelligence applications. The decrease in Robotics revenues of \$47.7 million, or 17.9%, was primarily due to lower sales of collaborative robotic arms. The increase in Product Test revenues of \$10.3 million, or 4.3%, was primarily due to higher sales in Wireless Test.

Revenues by country as a percentage of total revenues were as follows (1):

	For the Nine Months Ended	
	September 28, 2025	September 29, 2024
Taiwan	33%	20%
China	17	11
United States	12	13
Korea	10	28
Europe	7	9
Malaysia	4	2
Philippines	4	2
Singapore	4	2
Japan	2	7
Thailand	2	2
Rest of World	5	4
	100%	100%

(1) Revenues attributable to a country are based on location of customer site.

Gross Profit

Our gross profit was as follows:

	For the Nine Months Ended		Dollar/Point Change
	September 28, 2025	September 29, 2024	
	(in millions)		
Gross profit	\$ 1,237.7	\$ 1,201.6	\$ 36.1
Percent of total revenues	58.7%	58.1%	0.6

Gross profit as a percent of revenue increased by 0.6 points, primarily due to product mix in Semiconductor Test.

Selling and Administrative

Selling and administrative expenses were as follows:

	For the Nine Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
	(in millions)		
Selling and administrative	\$ 484.2	\$ 461.3	\$ 22.9
Percent of total revenues	23.0%	22.3%	

The increase of \$22.9 million in selling and administrative expenses was primarily due to higher spending in Semiconductor Test partially offset by lower spending in Robotics.

Engineering and Development

Engineering and development expenses were as follows:

	For the Nine Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
	(in millions)		
Engineering and development	\$ 361.3	\$ 332.5	\$ 28.8
Percent of total revenues	17.2%	16.1%	

The increase of \$28.8 million in engineering and development expenses was primarily due to higher spending in Semiconductor Test partially offset by lower spending in Robotics.

Restructuring and Other

During the nine months ended September 28, 2025, we recorded \$18.5 million of severance charges, \$13.5 million of which is related to the Robotics restructuring which impacted approximately 150 employees, \$2.2 million of which is related to Product Test and \$1.4 million of which is related to Semiconductor Test. During the nine months ended September 28, 2025, we made \$9.2 million of Robotics severance payments. We expect all Robotics severance payments to be made prior to the end of the third quarter of 2026. Additionally, we recorded \$2.0 million of acquisition and divestiture expenses related primarily to the Quantifi Acquisition and \$1.5 million of charges related to lease terminations.

During the nine months ended September 29, 2024, we recorded restructuring and other charges primarily related to \$5.3 million of severance and other charges, related to headcount reductions of 87 people primarily in Robotics and Semiconductor Test, which included charges related to a voluntary early retirement program for employees meeting certain conditions, and \$2.2 million of acquisition and divestiture expenses related to the Technoprobe transactions.

Gain on Sale of Business

During the nine months ended September 29, 2024, we recorded a gain of \$57.5 million associated with the sale of DIS to Technoprobe.

Interest and Other

	For the Nine Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
	(in millions)		
Interest income	\$ (12.6)	\$ (19.7)	\$ 7.1
Interest expense	2.9	3.0	(0.1)
Other (income) expense, net	2.9	5.6	(2.7)

Interest income decreased by \$7.1 million primarily due to lower cash balances. In the period ended September 29, 2024, other (income) expense, net included the change in value of our call option purchased in connection with the acquisition of Technoprobe. The call option expired on May 23, 2024.

Income (Loss) Before Income Taxes and Equity in Net Earnings of Affiliate

	For the Nine Months Ended		Dollar Change
	September 28, 2025	September 29, 2024	
	(in millions)		
Semiconductor Test	\$ 402.4	\$ 408.0	\$ (5.6)
Product Test	40.1	42.9	(2.8)
Robotics	(73.3)	(56.1)	(17.2)
Corporate and Eliminations (1)	(5.5)	56.4	(61.9)
	<u>\$ 363.7</u>	<u>\$ 451.3</u>	<u>\$ (87.6)</u>

- (1) Included in Corporate and Eliminations are gain on sale of business, interest income, interest expense, net foreign exchange gains (losses), intercompany eliminations, severance charges, pension and postretirement plan actuarial gains (losses), acquisition and divestiture related expenses, and gain on sale of business.

The decrease in income before income taxes and equity in net earnings of affiliate in Semiconductor Test was driven primarily by higher spending in selling and administrative and engineering and development, partially offset by higher sales in mobility and compute for artificial intelligence applications. The decrease in income before income taxes and equity in net earnings of affiliate in Robotics was primarily due to lower sales of collaborative robotic arms, partially offset by lower operating expenses. The decrease in income before income taxes and equity in net earnings of affiliate in Product Test was primarily due to strategic investments.

Income Taxes

The effective tax rate for the nine months ended September 28, 2025, and September 29, 2024, was 13.8% and 12.0%, respectively. The increase in the effective tax rate from the nine months ended September 29, 2024, to the nine months ended September 28, 2025, is primarily attributable to decreases in benefits related to reserves for uncertain tax positions and tax credits partially offset by an increase in benefit from a projected shift in the geographic distribution of income.

Contractual Obligations

There have been no changes outside of the ordinary course of business to our contractual obligations as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Liquidity and Capital Resources

Our cash, cash equivalents and marketable securities balances decreased by \$296.4 million in the nine months ended September 28, 2025, to \$427.4 million.

Operating activities during the nine months ended September 28, 2025, provided cash of \$392.8 million. Changes in operating assets and liabilities used cash of \$48.6 million due to a \$169.0 million increase in operating assets and a \$120.5 million increase in operating liabilities.

The increase in operating assets was primarily due to increases in accounts receivable, inventories, and prepayments and other assets of \$111.8 million, \$34.6 million, and \$22.6 million, respectively.

The increase in operating liabilities was due to increases in accounts payable and other liabilities and in deferred revenue and customer advances of \$121.4 million and \$25.7 million, respectively, partially offset by decreases in income taxes and retirement plans of \$19.7 million and \$7.0 million, respectively.

Investing activities during the nine months ended September 28, 2025, used cash of \$307.7 million due to \$161.1 million used for the purchase of property, plant & equipment, \$144.4 million used for the acquisition of businesses, \$27.5 million used for the purchase of marketable securities, and \$25.5 million used for the purchase of investments in businesses, partially offset by \$41.6 million and \$9.2 million in proceeds from the maturities and sales of marketable securities, respectively.

Financing activities during the nine months ended September 28, 2025, consumed cash of \$361.4 million due to \$518.7 million used for the repurchase of 5.1 million shares of common stock at an average price of \$102.01 per share, \$57.6 million utilized for dividend payments and \$15.3 million used for payment related to net settlements of employee stock compensation awards, partially offset by \$200.0 million from borrowings on our revolving credit facility and \$30.1 million from the issuance of common stock under employee stock purchase and stock option plans.

Operating activities during the nine months ended September 29, 2024, provided cash of \$389.6 million. Changes in operating assets and liabilities used cash of \$75.8 million due to a \$7.3 million decrease in operating assets and a \$83.1 million decrease in operating liabilities.

The decrease in operating assets was primarily due to decreases in other assets and inventory of \$61.4 million and \$11.1 million, respectively, partially offset by a \$65.3 million increase in accounts receivable, driven by higher sales in the third quarter.

The decrease in operating liabilities was due to a \$32.3 million decrease in accrued employee compensation, \$25.9 million decrease in accounts payable, \$18.9 million decrease in income taxes, \$4.2 million decrease in retirement plans, and \$5.5 million decrease in accrued other, partially offset by a \$3.6 million increase in deferred revenue and customer advances.

Investing activities during the nine months ended September 29, 2024, used cash of \$554.9 million due to \$527.1 million used for the purchases of investment, \$140.7 million used for the purchase of property, plant and equipment, \$35.1 million used for the purchase of marketable securities, partially offset by \$90.3 million in proceeds from the sale of a business, \$23.6 million and \$33.2 million in proceeds from the sales and maturities and marketable securities, respectively, and \$0.9 million in proceeds from life insurance.

Financing activities during the nine months ended September 29, 2024, used cash of \$88.6 million due to \$185.0 million used for proceeds from borrowings on revolving credit facility of which \$185.0 million in payments were paid back in full during the quarter, \$56.9 million used for dividend payment, \$55.1 million used for the repurchase of 0.5 million shares of common stock at an

average price of \$111.32 per share and \$13.8 million used for payment related to net settlements of employee stock compensation awards, partially offset by \$37.3 million from the issuance of common stock under employee stock purchase and stock option plans.

In January 2025, May 2025 and August 2025, our Board of Directors declared a quarterly cash dividend of \$0.12 per share. Dividend payments for the three and nine months ended September 28, 2025, were \$19.0 million and \$57.6 million, respectively.

In January 2024, May 2024, and August 2024, our Board of Directors declared a quarterly cash dividend of \$0.12 per share. Dividend payments for the three and nine months ended September 29, 2024, were \$19.6 million and \$57.0 million, respectively.

During the nine months ended September 28, 2025, we repurchased 5.1 million shares of common stock for \$518.7 million, which excludes related excise tax, at an average price of \$102.01 per share. We intend to repurchase up to \$1.0 billion of common stock in 2025 and 2026, subject to market conditions. The cumulative repurchases under the 2023 repurchase program as of September 28, 2025, were 10.8 million shares of common stock for \$1,113.8 million, which excludes related excise tax, at an average price per share of \$104.21. During the nine months ended September 29, 2024, we repurchased 0.5 million shares of common stock for \$55.1 million, which excludes related excise tax, at an average price of \$111.32 per share.

While we have previously declared a quarterly cash dividend and authorized a share repurchase program, we may reduce or eliminate the cash dividend or share repurchase program in the future. Cash dividends and stock repurchases are subject to the discretion of our Board of Directors, which will consider, among other things, our earnings, capital requirements and financial condition.

On May 1, 2020, we entered into a credit agreement (the "Credit Agreement") providing a three-year, senior secured revolving credit facility of \$400.0 million. On December 10, 2021, the Credit Agreement was amended to extend the senior secured revolving credit facility to December 10, 2026. On October 5, 2022, the Credit Agreement was amended to increase the amount of the credit facility to \$750.0 million from \$400.0 million. On November 7, 2023, the Credit Agreement was amended to allow for the purchase of the shares of Technoprobe. On September 4, 2025, and September 19, 2025, we borrowed a combined \$200.0 million under the Credit Agreement to fund our capital allocation strategy. As of October 30, 2025, there is \$250.0 million outstanding from the Credit Facility.

We believe our cash, cash equivalents, marketable securities and senior secured revolving credit facility will be sufficient to pay our quarterly dividend and meet our working capital and expenditure needs for at least the next twelve months. Inflation has not had a significant long-term impact on earnings. As of September 28, 2025, we were in compliance with all covenants under the Credit Agreement.

Equity Compensation Plans

In addition to our 1996 Employee Stock Purchase Program as discussed in Note M: "Stock-Based Compensation" in our 2024 Annual Report on Form 10-K, we have a 2006 Equity and Cash Compensation Incentive Plan (the "2006 Equity Plan").

The purpose of the 1996 Employee Stock Purchase Plan is to encourage stock ownership by all eligible employees of Teradyne. The purpose of the 2006 Equity Plan is to provide equity ownership and compensation opportunities in Teradyne to our employees, officers and directors. Both plans were approved by our shareholders.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09 – "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*", which requires expanded disclosures relating to the tax rate reconciliation, income taxes paid, income (loss) before income tax expense (benefit) and income tax expense (benefit), requiring a greater disaggregation of information for each. The provisions of ASU 2023-09 are effective for fiscal years beginning after December 15, 2024. We will apply the amendments in this update on a prospective basis. This ASU will have no impact on results of operations, cash flows or financial condition.

In November 2024, the FASB issued ASU 2024-03- "*Income Statement - Reporting Comprehensive Income -Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*", which requires disclosure of additional expense information on an annual and interim basis, including the amounts of inventory purchases, employee compensation, depreciation and intangible amortization included within each income statement expense caption. This standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The amendments in this update should be applied on a prospective basis, but retrospective application is permitted. We are currently evaluating the impact of this new standard.

In July 2025, the FASB issued ASU 2025-05 - *"Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets"*, which introduces a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. The practical expedient permits all entities to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. This standard is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. The amendments in this update should be applied on a prospective basis, but retrospective application is permitted. We are currently evaluating the impact of this new standard and do not expect a material impact on the financial statements and related disclosures.

Item 3: Quantitative and Qualitative Disclosures about Market Risks

For “Quantitative and Qualitative Disclosures about Market Risk” affecting Teradyne, see Part 2 Item 7A, “Quantitative and Qualitative Disclosures about Market Risks,” in our Annual Report on Form 10-K filed with the SEC on February 20, 2025. There were no material changes in our exposure to market risk from those set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Item 4: Controls and Procedures

As of the end of the period covered by this report, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) or Rule 15d-15(f) promulgated under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective in ensuring that material information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, including ensuring that such material information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended September 28, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1: Legal Proceedings

We are subject to various legal proceedings and claims which have arisen in the ordinary course of business such as, but not limited to, patent, employment, commercial and environmental matters. Teradyne believes that it has meritorious defenses against all pending claims and intends to vigorously contest them. While it is not possible to predict or determine the outcomes of any pending claims or to provide possible ranges of losses that may arise, Teradyne believes the potential losses associated with all of these actions are unlikely to have a material adverse effect on its business, financial position or results of operations.

Item 1A: Risk Factors

In addition to other information set forth in this Form 10-Q, including the risk discussed below, you should carefully consider the factors discussed in Part I, “Item 1A: Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 20, 2025, which could materially affect our business, financial condition or future results. The risk factors described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, remain applicable to our business.

The risks described in our Annual Report on Form 10-K are not the only risks that we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

In January 2023, Teradyne's Board of Directors cancelled our 2021 repurchase program and approved a new repurchase program for up to \$2.0 billion of common stock. During the nine months ended September 28, 2025, we repurchased 5.1 million shares of common stock for a total cost of \$523.5 million at an average price of \$102.01 per share. We record share repurchases at cost, which includes broker commissions and related excise taxes. During the nine months ended September 29, 2024, we repurchased 0.5 million shares of common stock for \$55.1 million at an average price of \$111.32 per share.

The following table includes information with respect to repurchases we made of our common stock during the three months ended September 28, 2025, (in thousands except per share price):

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that may Yet Be Purchased Under the Plans or Programs (2)
June 30, 2025 - July 27, 2025	368	\$ 93.99	367	\$ 1,088,262
July 28, 2025 - August 24, 2025	344	\$ 106.17	342	\$ 1,052,245
August 25, 2025 - September 28, 2025	1,463	\$ 119.91	1,463	\$ 876,589
	<u>2,175</u> (1)	<u>113.35</u> (1)	<u>2,172</u>	

- (1) Includes approximately three thousand shares at an average price of \$104.76 withheld from employees for the payment of taxes.
- (2) As of January 1, 2023, share repurchases net of share issuances are subject to a 1% excise tax under the Inflation Reduction Act. Excise tax incurred is included as part of the cost basis of shares repurchased in the Condensed Consolidated Statements of Convertible Common Shares and Stockholders' Equity.

We satisfy U.S. federal and state minimum withholding tax obligations due upon the vesting and the conversion of restricted stock units into shares of our common stock, by automatically withholding from the shares being issued, a number of shares with an aggregate fair market value on the date of such vesting and conversion that would satisfy the minimum withholding amount due.

Item 4: Mine Safety Disclosures

Not Applicable

Item 5: Other Information**10b 5-1 Trading Plans**

Our officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (“Section 16 Officers”) and directors from time to time enter into contracts, instructions or written plans for the purchase or sale of our securities that are intended to satisfy the conditions specified in Rule 10b5-1(c) under the Exchange Act for an affirmative defense against liability for trading in securities on the basis of material nonpublic information. We refer to these contracts, instructions, and written plans as “Rule 10b5-1 trading plans” and each one as a “Rule 10b5-1 trading plan.” During our fiscal quarter ended September 28, 2025, no Section 16 Officers or directors adopted, modified or terminated Rule 10b5-1 trading plans.

Item 6: Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	<u>Separation and Release of Claims Agreement, dated as of August 28, 2025, by and between Ujjwal Kumar and Teradyne, Inc. (filed herewith) *</u>
31.1	<u>Certification of Principal Executive Officer, pursuant to Rule 13a-14(a) of Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)</u>
31.2	<u>Certification of Principal Financial Officer, pursuant to Rule 13a-14(a) of Securities and Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)</u>
32.1	<u>Certification of Principal Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)</u>
32.2	<u>Certification of Principal Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)</u>
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents
104	Cover Page Interactive Data File (formatted as Inline XBRL, and contained in Exhibit 101)
*	Management Contract or Compensatory Plan

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TERADYNE, INC.
Registrant

/s/ SANJAY MEHTA

Sanjay Mehta
Vice President,
Chief Financial Officer and Treasurer
(Duly Authorized Officer
and Principal Financial Officer)
October 30, 2025

TERADYNE

August 29, 2025

Ujjwal Kumar

Dear Ujjwal,

In connection with the termination of your employment with Teradyne, Inc. ("Teradyne") on **9/30/25**, (or earlier as set forth in Section 1 below), you are eligible to receive the severance benefits described in Attachment A if you (i) sign and return this agreement to the HR Service Center by **8/29/25**; (ii) sign and return on your termination date the Release of Claims attached hereto as Attachment B and do not revoke it within the seven (7) day revocation period; and (iii) your employment is not terminated for "Cause" during the "Transition Period" as defined below.

If you choose not to sign this Agreement and Attachment B or you revoke your acceptance of the Release in Attachment B during the seven (7) day revocation period, you will not receive the severance benefits under this Agreement from Teradyne. If you choose not to sign this Agreement, you will only receive your regular salary during the "Transition Period", along with the standard 2 weeks of severance, and payment on or before your termination for any unused Flex PTO time accrued, through the separation date.

1. **Separation Date** - Your effective date of termination from Teradyne is **9/30/25** (the "Separation Date"), or such earlier date as your employment may be terminated by Teradyne for "Cause" as defined below. The period between today and your Separation Date shall be deemed a "Transition Period," during which you will continue to work for Teradyne and will use your best efforts, in full cooperation and in accordance with the directions of Teradyne, to assist Teradyne with the orderly and successful transfer of your duties and responsibilities (the "Transition Duties"). Teradyne expects you to maintain appropriate, business-like decorum throughout the Transition Period. For purposes hereof, "Cause" shall mean a good faith finding by Teradyne that you: (a) failed to perform your Transition Duties diligently or effectively or were negligent in the performance of these duties; (b) materially breached this letter agreement; (c) breached your non-disclosure obligations under your Teradyne Employment Agreement; (d) engaged in misconduct, fraud, or embezzlement; (e) engaged in any conduct that is harmful to the business, interests or reputation of Teradyne or that is in good faith determined by Teradyne to be inappropriate in the workplace; (f) ceased to be in active employment at any time during the Transition Period (including due to voluntary termination by you); or (g) were convicted of, or pleaded guilty or nolo contendere to, a crime involving moral turpitude or any felony. If in Teradyne's sole discretion, you are terminated without cause prior to **9/30/25**, you will still be eligible for Severance Benefits pursuant to the terms of this Agreement. If you choose to resign from Teradyne prior to **9/30/25**, you will not receive the Severance Benefits.
 2. **Description of Severance Benefits** - The Severance Benefits paid to you if you timely sign and return this agreement and sign and do not revoke Attachment B are described in Attachment A (the "Severance Benefits").
 3. **Release** - In consideration of the payment of the Severance Benefits, which you acknowledge you would not otherwise be entitled to receive, you fully and unconditionally release Teradyne, its officers, directors, stockholders, subsidiaries, agents and employees (the "Released Parties"), from any and all claims, causes of action, rights, agreements, obligations, liabilities, and expenses (including attorneys' fees and costs), of every kind and nature which you ever had or now have against the Released Parties, including, but not limited to, those claims arising out of your employment with or separation from Teradyne including, but not limited to, all employment discrimination claims under Title VII of the Civil Rights Act of 1964; Sections 1981 through 1988 of Title 42 of the United States Code; the Employee Retirement Income Security Act of 1974 ("ERISA"); the Internal Revenue Code of 1986; the Immigration Reform and Control Act; the Americans with Disabilities Act of 1990; the
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Worker Adjustment and Retraining Notification Act; the Fair Credit Reporting Act; the Family and Medical Leave Act; the Equal Pay Act; the Genetic Information Nondiscrimination Act of 2008; the Uniformed Services Employment and Reemployment Rights Act of 1994 (“USERRA”); Families First Coronavirus Response Act; the Pregnant Worker’s Fairness Act (“PWFA”); Executive Order 11246; The Rehabilitation Act; the Massachusetts Law Against Discrimination, G.L. c. 151B, as amended; the Massachusetts Equal Rights Act, G.L. c. 93, as amended; the Massachusetts Civil Rights Act, G.L. c. 12, as amended; the Massachusetts Privacy Statute, G.L. c. 214, § 1B, as amended; the Massachusetts Sexual Harassment Statute, G.L. c. 214, § 1C; the Massachusetts Wage Payment Statute, G.L. c. 149, §§ 148, 148A, 148B, 149, 150, 150A-150C, 151, 152, 152A, et seq.; the Massachusetts Wage and Hour laws, G.L. c. 151§1A et seq.; the Massachusetts Workers' Compensation Act, G.L. c. 152, § 75B; the Massachusetts Small Necessities Act, G.L. c. 149, § 52D; the Massachusetts Equal Pay Act, G.L. c. 149, § 105A-C; the Massachusetts Equal Rights for the Elderly and Disabled, G.L. c. 93, § 103; the Massachusetts AIDS Testing statute, G.L. c. 111, §70F; the Massachusetts Consumer Protection Act, G.L. c. 93A; Massachusetts Employment Leave for Victims and Family Members of Abuse, G.L. c. 149, §52E, as amended; the Massachusetts Earned Sick Time Law, M.G.L. c. 149, § 148C; the Massachusetts Paid Family and Medical Leave Act, M.G.L. c.175M et seq. Massachusetts Parental Leave Act, G.L. c. 149, § 105D; Massachusetts Age Discrimination Law, G.L. c. 149 §24 A et seq.; all as amended, if amended, or any other federal or state law, rule, regulation, or ordinance; any public policy, contract, tort, or common law; all claims to any non-vested ownership interest in Teradyne, contractual or otherwise, including but not limited to claims to stock or stock options; or any allegation for costs, fees, or other expenses including attorneys’ fees incurred in these matters. You also acknowledge that you are releasing any claim you have to unpaid wages or compensation of any kind.

4. **Non-Disclosure** - You acknowledge your legal obligation to keep confidential all non-public information concerning Teradyne’s and its customers’ and suppliers’ intellectual property, trade secrets, or business that you acquired during the course of your employment with Teradyne, except as required or permitted by law, as stated more fully in the employment agreement you executed at the inception of your employment and which remains in full force and effect. You further acknowledge that during your employment with Teradyne you have had access to highly confidential customer information and may have signed acknowledgements, certifications and/or non-disclosure agreements in connection with that confidential customer information. You understand and acknowledge that your obligation to maintain the confidentiality of that information continues even after your employment with Teradyne ends and that unauthorized disclosure by you of any confidential customer information could expose you to liability to Teradyne and to the customer. You acknowledge that you shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Accordingly, you have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. You also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).
 5. **Return of Teradyne Property** - You agree to return within 7 days of your Separation Date all Teradyne property in your possession or control. You further agree to leave intact all electronic Teradyne documents and information, including those which you developed or helped develop during your employment.
 6. **Business Expenses and Benefits** - You agree to submit within 10 days of your Separation Date all documentation for any reimbursements owed to you for authorized Teradyne expenses. All other benefits, including flex accrual, life insurance and long-term disability will cease upon your Separation Date.
 7. **Non-Disparagement** - You agree that as a condition to payment of the Severance Benefits, you shall not make any false, disparaging or derogatory statements to any media outlet, industry group, financial institution or
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current or former employee, consultant, client or customer of Teradyne regarding the Released Parties or about Teradyne's business affairs and financial condition. Teradyne agrees that it will not make any false, disparaging or derogatory statements to any media outlet, industry group, financial institution or current or former employee, consultant, client or customer of Teradyne regarding you, your employment or separation from Teradyne. For all third party inquiries, you agree to direct requests for references to James Mahon, and if Mr. Mahon receives any such requests, on behalf of Teradyne he will provide only your dates of employment and job titles. Nothing in this paragraph is intended to limit your rights under state or federal law.

8. **Waiver of Rights** - No delay or omission by Teradyne in exercising any right under this agreement shall operate as a waiver of that or any other right. A waiver or consent given by Teradyne on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.
9. **Validity** - Should any provision of this agreement be declared or be determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby.
10. **Confidentiality** - To the extent permitted by law, you agree that as a condition for payment to you of the Severance Benefits, the terms and contents of this agreement and the negotiations and discussions resulting in this agreement, shall be maintained as confidential by you and your agents and shall not be disclosed to any third party except to the extent required by federal or state law or as otherwise agreed to in writing by Teradyne.
11. **Eligibility for Severance Program**. Attachment A provides information on eligibility for the severance program.
12. **Post-Employment Restrictions** – For the 12 months following the Separation Date (the “Restricted Period”), you agree that you shall not directly or indirectly:
 - a) Engage in any work (whether as an owner, partner, officer, employee, executive, director, investor, lender, consultant, independent contractor or otherwise, except as the holder of not more than 1% of the combined voting power of the outstanding stock of a publicly held company) with or for Fanuc, Doosan, Techman, which you agree and acknowledge are direct competitors of Teradyne;
 - b) Either alone or in association with others, recruit, solicit, hire or engage as an independent contractor, any person who was employed by Teradyne at any time during the period of your employment with Teradyne, except for an individual whose employment with Teradyne has been terminated for a period of six months or longer; or
 - c) Either alone or in association with others, solicit, divert or take away, or attempt to divert or to take away, the business or patronage of any client or customer or entity that was a prospective client or customer of Teradyne during your employment.

Additionally, for the 12 months following the Separation Date, you agree that you shall not directly or indirectly engage in any work acting as an advisor or consultant to any activist investor or potential counter party in any divestment of Teradyne Robotics or any of its business units.

If any restriction set forth in this Section 12 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, the parties agree that it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable.

You acknowledge that the restrictions contained in this Section 12 are necessary for the protection of the business and goodwill of Teradyne and are considered by you to be reasonable for such purpose. You agree that any breach of this Section 12 will cause Teradyne irreparable harm and therefore, in the event of any such

breach, in addition to such other remedies that may be available, Teradyne shall have the right to seek equitable and/or injunctive relief. In the event of any court action with regard to Section 12 of this Agreement, the prevailing party shall be entitled to receive from the non-prevailing party and the non-prevailing party shall pay upon demand all reasonable fees and expenses of counsel for the prevailing party.

The geographic scope of this Section 12 shall extend to anywhere Teradyne or any of its subsidiaries is doing business, has done business or has plans to do business as of the Separation Date.

If you violate the provisions of this Section 12, Teradyne shall be entitled to discontinue any further payment of the Severance Benefits and you shall continue to be bound by the restrictions set forth in this Section 12 for an additional period of time equal to the duration of the violation, such additional period not to exceed 12 months.

You will have seven (7) business days after you sign this agreement to revoke the noncompetition restriction in Section 12(a).

13. **Voluntary Assent** - You affirm that no other promises have been made to you by any person or entity to cause you to sign this agreement, and that you have read and fully understand its meaning and intent, including Attachment A. You represent that you have had an opportunity to fully review the terms of this agreement, including Attachment A, with an attorney and that you freely and voluntarily assent to all of the terms and conditions hereof, and sign your name of your own free act.
14. **Applicable Law** - This agreement shall be governed by the laws of the Commonwealth of Massachusetts, without regard to conflict of laws provisions.
15. **Massachusetts Acknowledgements** – You acknowledge to the extent set forth in the General Release of All Claims section above – this Agreement contains a release of any and all claims Employee may have under the Massachusetts Wage Act and that this Agreement is intended to resolve any and all disputes related to wages, commissions, or other compensation.
16. **Electronic Signature** - You understand that you may sign this Agreement and any other related documents by typing your name where your signature is required. By using this method, you are (a) accepting the terms and conditions of the document so signed, and (b) agreeing that your typed name is your electronic signature and that your electronic signature demonstrates my acceptance of terms of the agreement or other document. You agree that your electronic signature is as legally binding as an ink signature. You understand that you also may sign agreements or other documents and return a scanned copy as my acceptance of the agreements or other documents.
17. **Entire Agreement and Amendment** - This agreement, including Attachment A contains and constitutes the entire agreement between the parties concerning your Severance Benefits and the settlement of claims against Teradyne and cancels all previous oral and written negotiations and/or commitments in connection therewith. This agreement shall be binding upon the parties and may not be modified in any manner except by a writing signed by an authorized representative of each party. **Nothing in this paragraph, however, shall modify your obligations set forth in Section 12.**

If you have any questions about the matters covered in this agreement, please call the HR Service Center at 978-370-3041.

Very truly yours,



James P Mahon
Chief Human Resource Officer, Teradyne

I hereby agree to the terms and conditions set forth above and in Attachment A.

/s/ Ujjwal Kumar _____ August 28, 2025
Ujjwal Kumar **Date**

To be returned on **August 29, 2025** to the Jim Mahon or, alternatively, to HR Service Center via email to hr.service.center@teradyne.com, mailed to Teradyne, HR Service Center, 700 Riverpark Drive, North Reading, MA 01864, or by faxing to 978-370-2310. You can reach us at hr.service.center@teradyne.com or by phone: 978-370-3041.

ATTACHMENT A

POST EMPLOYMENT BENEFITS SUMMARY

NAME: Ujjwal Kumar

EMPLOYEE #:

EFFECTIVE DATE: September 30, 2025

SUPERVISOR: Greg Smith

FIRST SEVERANCE AMOUNT: \$565,000.00

(Assumes Signed Release)

SECOND SEVERANCE AMOUNT: \$565,000.00

(Assumes Signed Release)

SEVERANCE:

Assuming you sign and deliver the release to Teradyne, and the release becomes binding and effective, you will be paid the First Severance Amount in the next payroll run occurring after the date the release becomes binding and effective, you will be paid the Second Severance Amount in the first payroll run occurring 12 months after your Separation Date. If you are currently on direct deposit, your severance payment will be direct deposited in your bank account.

Severance payments are considered supplemental payments and subject to all applicable federal, state, and local income taxes and are not considered income for any 401(k) or other benefits related purpose

HEALTH BENEFITS:

Your medical, dental and/or vision coverage through Teradyne's active group will end on **September 30, 2025**.

The effective date for COBRA coverage is **October 1, 2025**. As of **October 1, 2025**, you may elect to continue your medical, dental and/or vision coverage through COBRA, generally, for up to an additional 18 months. Upon your termination from the active group insurance, you will receive correspondence explaining your options under COBRA.

Assuming the release form is signed, Teradyne will subsidize your medical, dental and vision premiums for up to twelve months. Your subsidy period is from **October 1, 2025 – September 30, 2026**. The amount to be paid by you during the subsidy period will be the active employee rates. Upon the expiration of this period, you will be required to pay the COBRA premiums. The 2026 rates will be communicated in November 2025.

MEDICAL INSURANCE

You are presently covered by the Health Investment Plan with Family coverage. Your medical coverage through Teradyne's active group will end on **September 30, 2025**.

The medical premium to be paid during the 2025 subsidy period is **\$476.82** per month

The Active Employee and COBRA Rate for 2026 will be provided during the annual Open Enrollment period in November 2025

DENTAL INSURANCE

You are presently covered by Delta Dental Preferred with Family coverage. Your dental coverage through Teradyne's active group will end on **September 30, 2025**.

The Dental premium to be paid during the 2025 subsidy period is **\$43.70** per month.

The Active Employee and COBRA Rate for 2026 will be provided during the annual Open Enrollment period in November 2025.

VISION INSURANCE

You are presently covered by Vision Service Plan (VSP) with Family coverage. Your vision coverage through Teradyne's active group will end on **September 30, 2025**.

The Vision premium to be paid during the 2025 subsidy period is **\$5.48** per month.

The Active Employee and COBRA Rate for 2026 will be provided during the annual Open Enrollment period in November 2025.

CONTINUATION OF HEALTH CARE BENEFITS

You will receive information from WEX Health about COBRA and continuing medical, dental and/or vision coverage as of **October 1, 2025**. This information will be mailed to your home following your termination date. The payments to WEX Health will begin with the month of **October 1, 2025**.

FIDELITY HEALTH SAVINGS ACCOUNT (HSA)

You will no longer meet HSA contribution eligibility requirements as of your termination date. You may still use your HSA funds tax free for qualified medical, dental or vision expenses, COBRA premiums, Medicare premiums and long term care premiums as defined by IRS Publication 502 Section 213 d. If you choose to withdraw your HSA funds for non qualified purposes you will be subject to a 10% penalty (prior to age 65) and will owe taxes on those funds (if contributions have been made pretax). HSA's are owned by the individual, so you may elect to keep your HSA at Fidelity or roll the funds into an HSA at another qualified institution. Please contact Fidelity Customer Service at 1-866-956-3097 for more information and cost of maintaining your account.

HEALTHCARE FLEXIBLE SPENDING ACCOUNT

You have elected not to participate in the Healthcare Flexible Spending Account.

DEPENDENT CARE REIMBURSEMENT ACCOUNT

You have elected not to participate in the Dependent Care Reimbursement Account.

SHORT TERM DISABILITY, LONG TERM DISABILITY, AND TRAVEL ACCIDENT INSURANCE

Your coverage ends on your termination date.

LIFE INSURANCE

You are presently covered under the Company's basic life insurance in an amount equal to \$1,000,000. You elected Supplemental Life coverage in the amount of \$500,000.

Your life insurance coverage through Teradyne ends on September 30, 2025. Teradyne's group life insurance policy offers you an opportunity to continue your coverage after you terminate from the Company by either converting or porting your coverage. Lincoln Financial Group will help you determine which of these methods of continuation is available to you. Should you be interested in continuing your life insurance coverage beyond September 30, 2025, you should contact Lincoln Financial Group at 1-877-321-1015, immediately as all paperwork must be submitted to Lincoln Financial Group by the 31st day following your September 30, 2025 of employment with Teradyne

SAVINGS PLAN or SAVINGS PLAN PLUS (the Teradyne Inc. Savings Plan)

If participating in the Teradyne Savings Plan in 2025, your contributions will end with your last regular payroll. You will not receive a company matching contribution for 2025.

If you have an outstanding loan balance, please contact Fidelity at 1-866-956-3097 for instructions on how to repay your loan or set up Loan ACH to avoid loan default.

If you have a vested balance, the options listed below will be available to you upon termination. However, if your balance is \$1,000 or less you will be required to take a distribution of your entire vested balance. Fidelity Investments will contact you if this applies to you.

- Take a cash lump-sum distribution of your entire vested account balance. Income taxes and penalties would be due on this distribution. Please contact Fidelity at 1-866-956-3097 to request a withdrawal.
- Rollover your entire vested account balance into another company's qualified plan or an individual retirement account (IRA). No taxes would be due at this time. Please contact Fidelity at 1-866-956-3097 to request a rollover.

If your balance exceeds \$1,000, you may leave the money in the account up to age 73, at which time you must begin taking required minimum distributions. At any time, you may set up a systematic withdrawal plan, transfer to another plan, rollover to an IRA or take a full distribution by contacting Fidelity at 1-866-956-3097 or via their website at www.401k.com.

EMPLOYEE STOCK PURCHASE PLAN

If you are currently participating in the Employee Stock Purchase Plan, the plan to date contributions will be refunded to you on or before your termination date.

VARIABLE COMPENSATION PAYMENT

If payment is made, you will receive your 2025 variable compensation (bonus) prorated to the period of 2025 up to your separation date. Payment will be paid in February, 2026 at the same time as the normal company payment of such bonuses.

RESTRICTED STOCK UNITS

All unvested restricted stock units are cancelled as of your termination date.

PERFORMANCE RESTRICTED STOCK UNITS

All unvested performance restricted stock units are cancelled as of your termination date.

STOCK OPTIONS

You have 90 days from termination date to exercise any vested unexercised stock options. All unvested stock options are cancelled as of your termination date. Please contact Fidelity directly to exercise your options.

VOLUNTARY BENEFITS (AUTO & HOME INSURANCE, PET INSURANCE)

If participating, you should contact Mercer directly at 1-877-294-8946 for further information on continuing your coverage.

METLIFE LEGAL PLAN

If participating, contact MetLife directly at 1-800-821-6400 for further information on continuing coverage for 12 months through a portable plan.

NORTON LIFELOCK IDENTITY THEFT

If enrolled in the Norton LifeLock Identity Theft Protection plan, the coverage will end on your termination date. The Teradyne group pricing is no longer in effect but a discount on all the retail products would be available. Members may elect to keep their coverage by paying the new premium directly to Norton. Please contact the HR Service Center if you would like the portability flyer.

ATTACHMENT B

RELEASE OF CLAIMS

In consideration of the payment of the Severance Benefits set forth in the **8/29/25** letter agreement between you and Teradyne, Inc., which you acknowledge you would not otherwise be entitled to receive if you do not execute this Release, you fully and unconditionally release Teradyne, its officers, directors, stockholders, subsidiaries, agents and employees (the "Released Parties"), from any and all claims, causes of action, rights, agreements, obligations, liabilities, and expenses (including attorneys' fees and costs), of every kind and nature which you ever had or now have against the Released Parties, including, but not limited to, those claims arising out of your employment with or separation from Teradyne including, but not limited to, all employment discrimination claims under Title VII of the Civil Rights Act of 1964; Sections 1981 through 1988 of Title 42 of the United States Code; the Employee Retirement Income Security Act of 1974 ("ERISA"); the Internal Revenue Code of 1986; the Immigration Reform and Control Act; the Americans with Disabilities Act of 1990; the Worker Adjustment and Retraining Notification Act; the Fair Credit Reporting Act; the Family and Medical Leave Act; the Equal Pay Act; the Genetic Information Nondiscrimination Act of 2008; the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"); Families First Coronavirus Response Act; the Pregnant Worker's Fairness Act ("PWFA"); the Age Discrimination in Employment Act of 1967 ("ADEA"), as amended by the Older Workers Benefit Protection Act ("OWBPA"); Executive Order 11246; The Rehabilitation Act; the Massachusetts Law Against Discrimination, G.L. c. 151B, as amended; the Massachusetts Equal Rights Act, G.L. c. 93, as amended; the Massachusetts Civil Rights Act, G.L. c. 12, as amended; the Massachusetts Privacy Statute, G.L. c. 214, § 1B, as amended; the Massachusetts Sexual Harassment Statute, G.L. c. 214, § 1C; the Massachusetts Wage Payment Statute, G.L. c. 149, §§ 148, 148A, 148B, 149, 150, 150A-150C, 151, 152, 152A, et seq.; the Massachusetts Wage and Hour laws, G.L. c. 151§1A et seq.; the Massachusetts Workers' Compensation Act, G.L. c. 152, § 75B; the Massachusetts Small Necessities Act, G.L. c. 149, § 52D; the Massachusetts Equal Pay Act, G.L. c. 149, § 105A-C; the Massachusetts Equal Rights for the Elderly and Disabled, G.L. c. 93, § 103; the Massachusetts AIDS Testing statute, G.L. c. 111, §70F; the Massachusetts Consumer Protection Act, G.L. c. 93A; Massachusetts Employment Leave for Victims and Family Members of Abuse, G.L. c. 149, §52E, as amended; the Massachusetts Earned Sick Time Law, M.G.L. c. 149, § 148C; the Massachusetts Paid Family and Medical Leave Act, M.G.L. c.175M et seq. Massachusetts Parental Leave Act, G.L. c. 149, § 105D; Massachusetts Age Discrimination Law, G.L. c. 149 §24 A et seq.; all as amended, if amended, or any other federal or state law, rule, regulation, or ordinance; any public policy, contract, tort, or common law; all claims to any non-vested ownership interest in Teradyne, contractual or otherwise, including but not limited to claims to stock or stock options; or any allegation for costs, fees, or other expenses including attorneys' fees incurred in these matters. You also acknowledge that you are releasing any claim you have to unpaid wages or compensation of any kind.

You hereby acknowledge that you have been given at least twenty-one (21) days (since **8/29/25**) to consider this Release, that Teradyne advised you that you have the right to consult with an attorney of your own choosing prior to signing this Release, and that you may revoke this Release for a period of seven (7) days after you sign it by notifying the HR Service Center in writing.

You understand that you may sign this Agreement and any other related documents by typing your name where your signature is required. By using this method, you are (a) accepting the terms and conditions of the document so signed, and (b) agreeing that your typed name is your electronic signature and that your electronic signature demonstrates your acceptance of terms of the agreement or other document. You agree that your electronic signature is as legally binding as an ink signature. You understand that you also may sign agreements or other documents and return a scanned copy as my acceptance of the agreements or other documents.

/s/ Ujjwal Kumar

September 30, 2025

Ujjwal Kumar

Date

To be returned no earlier than **September 30, 2025** the HR Service Center via email to hr.service.center@teradyne.com mailed to Teradyne, HR Service Center, 700 Riverpark Drive, North Reading, MA 01864, or by faxing to 978-370-2310. You can reach us at hr.service.center@teradyne.com or by phone: 978-370-3041

CERTIFICATIONS

I, Gregory S. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Teradyne, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2025

By: /s/ GREGORY S. SMITH
Gregory S. Smith
Chief Executive Officer

CERTIFICATIONS

I, Sanjay Mehta, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Teradyne, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2025

By: /s/ SANJAY MEHTA
Sanjay Mehta
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Teradyne, Inc. (the "Company") on Form 10-Q for the period ended September 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory S. Smith, Chief Executive Officer of the Company, certify pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/s/ GREGORY S. SMITH

Gregory S. Smith
Chief Executive Officer
October 30, 2025

**CERTIFICATION PURSUANT TO
18 U.S.C SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Teradyne, Inc. (the "Company") on Form 10-Q for the period ended September 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sanjay Mehta, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/s/ SANJAY MEHTA

Sanjay Mehta
Chief Financial Officer
October 30, 2025
