# Report of Organizational Actions Affecting Basis of Securities

**Part I: Reporting Issuer**

1. Issuer's name: Teradyne, Inc.
2. Issuer’s employer identification number (EIN): 04-2272148
3. Name of contact for additional information: Andrew Blanchard
4. Telephone No. of contact: 978-370-2425
5. Email address of contact: investorrelations@teradyne.com
6. Number and street (or P.O. box if mail is not delivered to street address) of contact: 600 Riverpark Drive
7. City, town, or post office, state, and ZIP code of contact: North Reading, MA 01864

**Part II: Organizational Action**

8. Date of action: May 23, 2023
9. Classification and description: 1.25% Senior Convertible Notes Due 2023
10. CUSIP number: 880770 AG7
11. Serial number(s): ISIN US880770AG70
12. Ticker symbol: TER
13. Account number(s): 

**14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action.**

**15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

**16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

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For Paperwork Reduction Act Notice, see the separate Instructions.
Part II  Organizational Action (continued)

17  List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►
Sections 301(c), 301(d), 305(b)(2), 305(c), and 316.

18  Can any resulting loss be recognized? ► This is not a loss transaction.

19  Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The reportable tax year for this conversion rate adjustment is 2023 for a calendar year taxpayer.

Signature ► [Signature]  Date ► May 31, 2023

Print your name ► Michael Callahan

Paid Preparer Use Only  Print/Type preparer’s name  Preparer’s signature  Date  Check if self-employed  PTIN
Firm’s name ►  [Firm’s name]  Firm’s EIN ►  [Firm’s EIN]
Firm’s address ►  [Firm’s address]  Phone no.  [Phone number]
Teradyne, Inc.
Appendix A to Form 8937
May 23, 2023 Conversion Rate Adjustment

Teradyne, Inc. (NASDAQ:TER) (the “Company”) has outstanding 1.25% Convertible Senior Subordinated Notes due 2023 (the “2023 Notes”). The 2023 Notes are convertible, at the option of the holders, at any time prior to the close of business on the business day immediately preceding December 15, 2023, into shares of the Company’s common stock, par value $0.125 per share (the “Common Stock”). The terms of the 2023 Notes include antidilutive protections that provide for an increase in the number of shares of Common Stock issued by the Company upon conversion of the 2023 Notes in the event of quarterly cash dividends on the Common Stock. This increase in the conversion rate on the 2023 Notes shall occur on the ex-dividend date for quarterly cash dividends paid on the Common Stock.

Section 6045B of the United States (“U.S.”) Internal Revenue Code (the “Code”) and the Treasury Regulations promulgated thereunder provide that, if a company pays a cash dividend with respect to its stock that results in a conversion rate adjustment on a convertible debt instrument that is treated as a deemed distribution under Section 305(b)(2) and (c) of the Code, an information return on Form 8937, Report of Organizational Actions Affecting Stock Basis of Securities, must be filed with the Internal Revenue Service or, in lieu of filing, posted to the company’s public website.

The information contained in the attached Form 8937 and this Appendix A is intended to satisfy the public reporting requirements under Section 6045A of the Code and is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment. Such information is not intended to be a complete analysis or description of all potential deferral or other tax consequences of the conversion rate adjustment. You should consult your own tax advisor to determine the particular federal, state, local, or foreign income, reporting, or other tax consequences of the conversion rate adjustment applicable to you.

**Line 14 – Description of the Organizational Action**

On May 11, 2023, the Company declared a quarterly cash dividend of $0.11 per share with respect to its Common Stock payable on June 16, 2023 to shareholders of record as of the close of business on May 24, 2023. The May 23, 2023 conversion rate increase results in a deemed dividend to holders of the 2023 Notes under Section 305(c) of the Code effective May 23, 2023.

**Line 15 – Description of the Quantitative Effect of the Organizational Action**

Effective on May 23, 2023, the conversion rate on the 2023 Notes increases from 31.8039 shares of Common Stock per $1,000 principal (the conversion rate as of February 16, 2023) to 31.8206 shares of Common Stock per $1,000 principal of 2023 Notes held. The section 305(c) deemed dividend to holders of the 2023 Notes that resulted from the conversion rate change increased the basis of the 2023 Notes by $1.5957 per $1,000 principal of 2023 Notes held.

**Line 16 – Description of Calculation of the Change**

The calculation of the adjusted conversion rate per $1,000 principal amount of 2023 Notes held is set forth below. The “Market Value” under the indenture for the 2023 Notes is the average closing price for the trading days occurring after, and not including the May 11, 2023 declaration date, and prior to, but not including, the ex-dividend date (such ex-dividend date was May 23, 2023).
Adj. Conversion Rate = PCR (31.8039) x MV ($95.28) − DTA ($0.06) = 31.8206
MV ($95.28) − D ($0.11)

Basis Adjustment = SP ($95.55) * Conversion Adj. [(31.8206) − (31.8039)] = $1.5957 per $1,000 of principal amount of the 2023 Notes

PCR = Prior Conversion Ratio (calculated as of February 16, 2023)
MV = Market Value of 1 Common Share (As Calculated per 2023 Notes Indenture)
DTA = Dividend Threshold Amount
D = Dividend Amount (May 24, 2023 record date)
SP = Stock Price (May 23, 2023 ex-dividend date)