

Teradyne, Inc.

Certain Non-GAAP financial measures discussed during the Second Quarter of 2010 Earnings Conference Call July 2010

On the Company's earnings conference call on July 29, 2010, the following non-GAAP financial measures were discussed or presented:

- Q2 2010 32% non-GAAP operating profit
- Q2 2010 non-GAAP earnings per share of \$0.69
- Q3 2010 non-GAAP earnings per share guidance of \$0.75 to \$0.83
- Q3 2010 non-GAAP operating profit guidance of 33% to 34%
- Q2 2010 non-GAAP cash flow from operations ("free cash flow") of \$90 million
- Q2 2010, Q1 2010 and Q2 2009 non-GAAP gross margin of 55.9%, 52.6% and 29.5%, respectively
- Q2 2010, Q1 2010 and Q2 2009 non-GAAP R&D expense as a percentage of sales of 11.1%, 14.9% and 22.7%, respectively
- Q2 2010, Q1 2010 and Q2 2009 non-GAAP SG&A expense as a percentage of sales of 12.8%, 17.0% and 27.9%, respectively
- Q2 2010 non-GAAP operating expenses of \$108.7 million
- Increase in non-GAAP operating expenses of \$23 million from Q2 2009 to Q2 2010
- Increase in non-GAAP operating expenses of \$3.8 million from Q1 2010 to Q2 2010
- Q2 2010 non-GAAP interest and other expense of \$2.3 million
- Q3 2010 non-GAAP weighted average diluted common shares guidance of 200 million shares
- Q3 2010 mid point of guidance non-GAAP operating profit of about 33%
- Q3 2010 non-GAAP gross margin guidance of about 56%
- Q3 2010 non-GAAP guidance R&D expense as a percentage of sales of about 10%
- Q3 2010 non-GAAP guidance SG&A expense as a percentage of sales of about 12%
- Q3 2010 non-GAAP guidance net interest expense of \$2.3 million
- Non-GAAP model revenue of \$275 million including no Hard Disk Hard and High-Speed Memory revenue
- Non-GAAP model revenue of \$290 million including \$25 million of Hard Disk Hard and High-Speed Memory revenue
- Non-GAAP model revenue of \$305 million including \$50 million of Hard Disk Hard and High-Speed Memory revenue
- Non-GAAP model revenue of \$320 million including \$75 million of Hard Disk Hard and High-Speed Memory revenue

Please see the attached GAAP to Non-GAAP reconciliations for a reconciliation of additional non-GAAP financial measures included in the Company's Second Quarter 2010 earnings release and that were discussed or presented on the Company's earnings conference call on July 29, 2010.

Teradyne determines non-GAAP operating cash flow ("free cash flow") by adjusting GAAP cash flow from operations to include property, plant and equipment additions. Free cash flow is considered a non-GAAP financial measure. Teradyne believes that free cash flow, which measures our ability to generate cash from our business operations, is an important financial measure for use in evaluating Teradyne's financial performance. Free cash flow should be considered in addition to, rather than as a substitute for,

net income (loss) as a measure of our performance and net cash provided by operating activities as a measure of our liquidity.

Teradyne believes it is important to view free cash flow as a measure that provides supplemental information to Teradyne's entire statement of cash flows.

Although other companies report their free cash flow, numerous methods may exist for calculating a company's free cash flow. As a result, the method used by Teradyne to calculate free cash flow may differ from the methods other companies use to calculate their free cash flow.

GAAP to non-GAAP reconciliation of second quarter 2010 cash flow from operations:

GAAP cash flow from operations for second quarter of 2010 (in millions)	\$108
Include property, plant and equipment additions	<u>(18)</u>
Non-GAAP cash flow from operations for second quarter of 2010	<u>\$ 90</u>

Q2 2010 R&D expense as a % of sales of 11.1% is the same % for GAAP and non-GAAP results

Q2 2010 SG&A expense as a % of sales of 12.8% is the same % for GAAP and non-GAAP results

Q1 2010 R&D expense as a % of sales of 14.9% is the same % for GAAP and non-GAAP results

Q1 2010 SG&A expense as a % of sales of 17.0% is the same % for GAAP and non-GAAP results

Q2 2009 R&D expense as a % of sales of 22.7% is the same % for GAAP and non-GAAP results

Q2 2009 SG&A expense as a % of sales of 27.9% is the same % for GAAP and non-GAAP results

For Q3 2010 non-GAAP guidance: Gross Margin, R&D and SG&A as a % of sales are the same % for GAAP and non-GAAP guidance

GAAP to non-GAAP reconciliation of Q2 2010 operating expenses:

Q2 2010 GAAP operating expenses (in millions)	\$117.7
Exclude intangible asset amortization	(7.3)
Exclude restructuring and other, net, costs	<u>(1.7)</u>
Q2 2010 non-GAAP operating expenses	<u>\$108.7</u>

GAAP to non-GAAP reconciliation of Q2 2009 operating expenses:

Q2 2009 GAAP operating expenses (in millions)	\$109.2
Exclude intangible asset amortization	(8.2)
Exclude restructuring and other, net, costs	<u>(15.3)</u>
Q2 2009 non-GAAP operating expenses	<u>\$85.7</u>

GAAP to non-GAAP reconciliation of increase in non-GAAP operating expenses:

Increase in GAAP operating expenses from Q2 2009 to Q2 2010	\$8.5
Plus decrease in intangible asset amortization	0.9
Plus decrease in restructuring and other, net, costs	<u>13.6</u>
Increase in non-GAAP operating expenses from Q2 2009 to Q2 2010	<u>\$23.0</u>

GAAP to non-GAAP reconciliation of Q1 2010 operating expenses:	
Q1 2010 GAAP operating expenses (in millions)	\$113.5
Exclude intangible asset amortization	(7.4)
Exclude restructuring and other, net, costs	<u>(1.3)</u>
Q1 2010 non-GAAP operating expenses	<u>\$104.8</u>

GAAP to non-GAAP reconciliation of increase in non-GAAP operating expenses:	
Increase in GAAP operating expenses from Q1 2010 to Q2 2010	\$4.2
Less increase in restructuring and other, net, costs	<u>(0.4)</u>
Increase in non-GAAP operating expenses from Q1 2010 to Q2 2010	<u>\$3.8</u>

GAAP to non-GAAP reconciliation of Q2 2010 interest and other expense:	
Q2 2010 GAAP interest and other expense (in millions)	\$4.9
Exclude non-cash convertible debt interest	<u>(2.6)</u>
Q2 2010 non-GAAP interest and other expense	<u>\$2.3</u>

GAAP to non-GAAP reconciliation of Q3 2010 interest and other expense guidance:	
Q3 2010 GAAP interest and other expense (in millions)	\$4.9
Exclude non-cash convertible debt interest	<u>(2.6)</u>
Q3 2010 Non-GAAP interest and other expense guidance	<u>\$2.3</u>

Teradyne's non-GAAP model revenue (15% profit) is \$275 million including no Hard Disk Hard and High-Speed Memory revenue, \$290 million including \$25 million of Hard Disk Hard and High-Speed Memory revenue, \$305 million including \$50 million of Hard Disk Hard and High-Speed Memory revenue and \$320 million including \$75 million of Hard Disk Hard and High-Speed Memory revenue. Teradyne determines its model operating profit level, model profit rate, or operating profit target as the average of its quarterly non-GAAP income from operations as a percentage of revenues over a semiconductor buying cycle. Non-GAAP income from operations excludes amortization from acquired intangible assets and any special items, such as restructuring costs. Non-GAAP model revenue excludes projected but uncertain costs of sales and operating expenditures. These model revenue numbers are provided only on a non-GAAP basis because of the inherent difficulty in forecasting and quantifying the amount of the uncertain revenue and costs of sales, operating expenditures, which would be required to be included in the comparable GAAP measure of revenue.

As a result, the GAAP financial measures most directly comparable to these forward looking Non-GAAP financial measures (the model revenue number, if any, under GAAP) are not currently available and a GAAP to Non-GAAP reconciliation has therefore not been presented.

In addition to disclosing results that are determined in accordance with GAAP, Teradyne also discloses on the earnings call these non-GAAP results of operations that exclude certain income items and charges. These results are provided as a complement to results provided in accordance with GAAP. These non-GAAP measures are used to make operational decisions, to determine employee compensation, to forecast future operational results, and for comparison with the Company's business plan, historical operating results and the operating results of the Company's competitors. Management believes each of these non-GAAP measures provides useful supplemental information for investors, allowing greater transparency to the information used by management in its operational decision making and in the review of our financial and operational performance, as well as facilitating meaningful comparisons of the Company's results in the current period compared with those in prior and future periods. This presentation of non-GAAP measures is not meant to be considered in isolation, as a substitute for, or superior to, financial measures or information provided in accordance with GAAP.

GAAP to Non-GAAP Earnings Reconciliation

(In millions, except per share amounts)

	Quarter Ended:														
	July 4, 2010		April 4, 2010		July 5, 2009		July 4, 2010		April 4, 2010		July 5, 2009				
		% of Net Revenues		% of Net Revenues		% of Net Revenues		% of Net Revenues		% of Net Revenues		% of Net Revenues			
Net Revenues	\$	454.8			\$	329.6			\$	169.6					
Gross Margin - GAAP	\$	254.3	55.9%		\$	173.5	52.6%		\$	47.1	27.8%				
Inventory step-up reversal ⁽¹⁾		-	-			-	-			3.9	2.3%				
Insurance recovery		-	-			-	-			(1.0)	-0.6%				
Gross Margin - non-GAAP	\$	254.3	55.9%		\$	173.5	52.6%		\$	50.0	29.5%				
Income/(Loss) from Operations - GAAP	\$	136.6	30.0%		\$	60.0	18.2%		\$	(62.1)	-36.6%				
Acquired intangible asset amortization		7.3	1.6%			7.4	2.2%			8.2	4.8%				
Restructuring and other, net ⁽²⁾		1.7	0.4%			1.3	0.4%			15.3	9.0%				
Inventory step-up reversal ⁽¹⁾		-	-			-	-			3.9	2.3%				
Insurance recovery		-	-			-	-			(1.0)	-0.6%				
Income/(Loss) from Operations - non-GAAP	\$	145.6	32.0%		\$	68.7	20.8%		\$	(35.7)	-21.0%				
		% of Net Revenues	Net Income/(Loss) per Common Share			% of Net Revenues	Net Income/(Loss) per Common Share			% of Net Revenues	Net Income/(Loss) per Common Share				
			Basic	Diluted			Basic	Diluted			Basic	Diluted			
Net Income/(Loss) - GAAP	\$	122.1	26.8%	\$ 0.68	\$ 0.55	\$	50.1	15.2%	\$ 0.28	\$ 0.24	\$	(66.8)	-39.4%	\$ (0.39)	\$ (0.39)
Acquired intangible asset amortization		7.3	1.6%	0.04	0.04		7.4	2.2%	0.04	0.04		8.2	4.8%	0.05	0.05
Interest and other ⁽³⁾		2.6	0.6%	0.01	0.01		2.5	0.8%	0.01	0.01		4.7	2.8%	0.03	0.03
Restructuring and other, net ⁽²⁾		1.7	0.4%	0.01	0.01		1.3	0.4%	0.01	0.01		15.3	9.0%	0.09	0.09
Convertible share adjustment ⁽⁴⁾		-	-	-	0.08		-	-	-	0.03		-	-	-	-
Inventory step-up reversal ⁽¹⁾		-	-	-	-		-	-	-	-		3.9	2.3%	0.02	0.02
Insurance recovery		-	-	-	-		-	-	-	-		(1.0)	-0.6%	(0.01)	(0.01)
Net Income/(Loss) - non-GAAP	\$	133.7	29.4%	\$ 0.74	\$ 0.69	\$	61.3	18.6%	\$ 0.35	\$ 0.33	\$	(35.6)	-21.0%	\$ (0.21)	\$ (0.21)
GAAP and Non-GAAP Weighted Average Common Shares - Basic		180.0				176.9					173.0				
GAAP Weighted Average Common Shares - Diluted		231.5				226.3					173.0				
Exclude dilutive shares from convertible note		(34.7)				(34.7)					-				
Non-GAAP Weighted Average Common Shares - Diluted ⁽⁴⁾		196.8				191.6					173.0				

(1) Reversal of Eagle Test purchase accounting inventory step-up.

(2) Restructuring and other, net consists of:

	Quarter Ended:		
	July 4, 2010	April 4, 2010	July 5, 2009
Employee Severance	\$ 0.7	\$ 1.3	\$ 15.0
Facility Related	1.0	-	-
Long - Lived Asset Impairment	-	-	1.1
Eagle Test Purchase Accounting Adjustment	-	-	(0.8)
	\$ 1.7	\$ 1.3	\$ 15.3

(3) For the quarters ended July 4, 2010 and April 4, 2010, Interest and Other included non-cash convertible debt interest. For the quarter ended July 5, 2009, Interest and Other included a charge to expense deferred debt financing costs as a result of the repayment and termination of Teradyne's revolving line of credit and non-cash convertible debt interest.

(4) For the quarters ended July 4, 2010 and April 4, 2010, the calculation of non-GAAP diluted earnings per share gives benefit to the Company's call option on its stock for 34.7 million shares at \$5.48. As a result, 11.2 million and 9.1 million shares, respectively, have been included in non-GAAP diluted shares and net interest expense of approximately \$2.4 million has been added back to non-GAAP net income for the non-GAAP diluted earnings per share calculation.

Six Months Ended:

	<u>July 4, 2010</u>	<u>% of Net Revenues</u>		<u>July 5, 2009</u>	<u>% of Net Revenues</u>
Net Revenues	\$ 784.4			\$ 290.2	
Gross Margin - GAAP	\$ 427.8	54.5%		\$ 80.5	27.7%
Inventory step-up reversal ⁽¹⁾	-	-		5.1	1.8%
Insurance recovery	-	-		(1.0)	-0.3%
Gross Margin - non-GAAP	\$ 427.8	54.5%		\$ 84.6	29.2%
Income/(Loss) from Operations - GAAP	\$ 196.6	25.1%		\$ (155.5)	-53.6%
Acquired intangible asset amortization	14.7	1.9%		16.5	5.7%
Restructuring and other, net ⁽²⁾	3.0	0.4%		31.2	10.8%
Inventory step-up reversal ⁽¹⁾	-	-		5.1	1.8%
Insurance recovery	-	-		(1.0)	-0.3%
Income/(Loss) from Operations - non-GAAP	\$ 214.3	27.3%		\$ (103.7)	-35.7%

	<u>July 4, 2010</u>	<u>% of Net Revenues</u>	<u>Net Income/(Loss) per Common Share</u>		<u>July 5, 2009</u>	<u>% of Net Revenues</u>	<u>Net Income/(Loss) per Common Share</u>	
			<u>Basic</u>	<u>Diluted</u>			<u>Basic</u>	<u>Diluted</u>
Net Income/(Loss) - GAAP	\$ 172.2	22.0%	\$ 0.97	\$ 0.79	\$ (157.4)	-54.2%	\$ (0.91)	\$ (0.91)
Acquired intangible asset amortization	14.7	1.9%	0.08	0.08	16.5	5.7%	0.10	0.10
Interest and other ⁽³⁾	5.1	0.7%	0.03	0.03	7.3	2.5%	0.04	0.04
Restructuring and other, net ⁽²⁾	3.0	0.4%	0.02	0.02	31.2	10.8%	0.18	0.18
Convertible share adjustment ⁽⁴⁾	-	-	-	0.11	-	-	-	-
Inventory step-up reversal ⁽¹⁾	-	-	-	-	5.1	1.8%	0.03	0.03
Insurance recovery	-	-	-	-	(1.0)	-0.3%	(0.01)	(0.01)
Income tax adjustment ⁽⁵⁾	-	-	-	-	(2.9)	-1.0%	(0.02)	(0.02)
Income/(Loss) from Operations - non-GAAP	\$ 195.0	24.9%	\$ 1.09	\$ 1.03	\$ (101.2)	-34.9%	\$ (0.59)	\$ (0.59)
GAAP and Non-GAAP Weighted Average Common Shares - Basic	178.4				172.6			
GAAP Weighted Average Common Shares - Diluted	228.9				172.6			
Exclude dilutive shares from convertible note	(34.7)				-			
Non-GAAP Weighted Average Common Shares - Diluted ⁽⁴⁾	194.2				172.6			

(1) Reversal of Eagle Test purchase accounting inventory step-up.

(2) Restructuring and other, net consists of:

Six Months Ended:

	<u>July 4, 2010</u>		<u>July 5, 2009</u>
Employee Severance	\$ 2.0		\$ 31.7
Facility Related	1.0		-
Eagle Test Purchase Accounting Adjustment	-		(1.5)
Long-Lived Asset Impairment	-		1.1
	\$ 3.0		\$ 31.2

(3) For the six months ended July 4, 2010 and July 5, 2009, Interest and Other included non-cash convertible debt interest. For the six months ended July 5, 2009, Interest and Other included a charge to expense deferred debt financing costs as a result of the repayment and termination of Teradyne's revolving line of credit, non-cash convertible debt interest, and a charge for other-than-temporary impairment and realized losses on marketable securities.

(4) For the six months ended July 4, 2010, the calculation of non-GAAP diluted earnings per share gives benefit to the Company's call option on its stock for 34.7 million shares at \$5.48. As a result, 10.2 million shares have been included in non-GAAP diluted shares and net interest expense of approximately \$4.8 million has been added back to non-GAAP net income for the non-GAAP diluted earnings per share calculation.

(5) Income tax adjustment related to a discrete foreign exchange item.

GAAP to Non-GAAP Reconciliation of third quarter 2010 guidance:

GAAP and Non-GAAP third quarter revenue guidance:	\$490 million	to	\$520 million
GAAP net income per diluted share	\$0.60		\$0.67
Exclude acquired intangible asset amortization	\$0.04		\$0.04
Exclude non-cash convertible debt interest	\$0.01		\$0.01
Exclude dilutive shares from convertible note	<u>\$0.10</u>		<u>\$0.11</u>
Non-GAAP net income per diluted share	\$0.75		\$0.83
GAAP income from operations as a % of revenue	32%		33%
Exclude acquired intangible asset amortization	<u>1%</u>		<u>1%</u>
Non - GAAP income from operations as a % of revenue	33%		34%
GAAP weighted average common shares - Diluted	234.7		
Exclude dilutive shares from convertible debt	<u>(34.7)</u>		
Non - GAAP weighted average common shares - Diluted	<u>200.0</u>		

GAAP to Non-GAAP Reconciliation

Income (Loss) from Continuing Operations per Diluted Common Share

	Quarter Ended							
	Q3 2010 Mid - Guidance	December 31, 2009	October 4, 2009	April 5, 2009	December 31, 2008	September 28, 2008	June 29, 2008	March 30, 2008
Income/(Loss) from Continuing Operations per Diluted Common Share - GAAP	\$ 0.64	\$ 0.09	\$ 0.04	\$ (0.53)	\$ (2.28)	\$ (0.14)	\$ 0.06	\$ 0.01
Acquired intangible asset amortization	0.04	0.04	0.05	0.05	0.04	0.03	0.03	0.02
Interest and other	0.01	0.01	0.01	0.02	0.03	0.03	-	-
Restructuring and other, net	-	-	0.03	0.09	0.06	0.17	0.07	0.07
Convertible share adjustment	0.10	-	-	-	-	-	-	-
Inventory step-up reversal	-	0.03	0.03	0.01	-	-	-	0.02
Profit sharing adjustment	-	(0.01)	(0.01)	-	-	-	-	-
In-process research and development	-	-	-	-	-	-	-	0.01
Income tax adjustment	-	-	-	(0.02)	-	-	-	-
Goodwill impairment	-	-	-	-	1.95	-	-	-
Inventory provision reversal	-	-	-	-	(0.01)	-	-	(0.01)
Income/(Loss) from Continuing Operations per Diluted Common Share - Non-GAAP	<u>\$ 0.79</u>	<u>\$ 0.17</u>	<u>\$ 0.14</u>	<u>\$ (0.38)</u>	<u>\$ (0.19)</u>	<u>\$ 0.09</u>	<u>\$ 0.16</u>	<u>\$ 0.12</u>
	December 31, 2007	September 30, 2007	July 1, 2007	April 1, 2007	December 31, 2006	October 1, 2006	July 2, 2006	April 2, 2006
Income/(Loss) from Continuing Operations per Diluted Common Share - GAAP	\$ 0.10	\$ 0.19	\$ 0.14	\$ (0.04)	\$ 0.07	\$ 0.34	\$ 0.41	\$ 0.23
Acquired intangible asset amortization	-	0.01	0.01	-	-	-	-	-
Interest and other	-	-	-	(0.01)	-	-	-	-
Restructuring and other, net	-	(0.02)	-	0.01	-	(0.07)	(0.10)	(0.01)
Profit sharing adjustment	-	-	-	(0.01)	-	-	-	-
In-process research and development	-	-	-	0.09	-	-	-	-
Inventory provision	-	-	-	-	-	-	-	0.04
Tax benefit from gain of disposal of TCS	-	-	-	-	-	(0.02)	-	-
Income/(Loss) from Continuing Operations per Diluted Common Share - Non-GAAP	<u>\$ 0.10</u>	<u>\$ 0.18</u>	<u>\$ 0.15</u>	<u>\$ 0.05</u>	<u>\$ 0.07</u>	<u>\$ 0.25</u>	<u>\$ 0.31</u>	<u>\$ 0.25</u>

The following table sets forth a reconciliation of free cash flow, a non-GAAP financial measure, to net cash provided by operating activities, a GAAP measure, which we believe to be the GAAP financial measure most directly comparable to free cash flow.

in millions of (\$)

	<u>Q1'99</u>	<u>Q2'99</u>	<u>Q3'99</u>	<u>Q4'99</u>	<u>Q1'00</u>	<u>Q2'00</u>	<u>Q3'00</u>	<u>Q4'00</u>	<u>Q1'01</u>	<u>Q2'01</u>	<u>Q3'01</u>	<u>Q4'01</u>	<u>Q1'02</u>	<u>Q2'02</u>	<u>Q3'02</u>	<u>Q4'02</u>
Net cash flows from continuing operating activities	35	89	87	156	50	135	108	178	(50)	31	10	(70)	16	(22)	(14)	15
Include property, plant and equipment additions	<u>(25)</u>	<u>(34)</u>	<u>(42)</u>	<u>(51)</u>	<u>(47)</u>	<u>(96)</u>	<u>(65)</u>	<u>(90)</u>	<u>(95)</u>	<u>(79)</u>	<u>(45)</u>	<u>(23)</u>	<u>(22)</u>	<u>(18)</u>	<u>(19)</u>	<u>(17)</u>
Non-GAAP cash flow from operations for fiscal quarter	11	55	45	105	3	39	43	88	(145)	(47)	(35)	(93)	(6)	(40)	(33)	(2)

	<u>Q1'03</u>	<u>Q2'03</u>	<u>Q3'03</u>	<u>Q4'03</u>	<u>Q1'04</u>	<u>Q2'04</u>	<u>Q3'04</u>	<u>Q4'04</u>	<u>Q1'05</u>	<u>Q2'05</u>	<u>Q3'05</u>	<u>Q4'05</u>	<u>Q1'06</u>	<u>Q2'06</u>	<u>Q3'06</u>	<u>Q4'06</u>
Net cash flows from continuing operating activities	(44)	18	25	35	41	78	78	58	(72)	(30)	30	56	72	128	143	111
Include property, plant and equipment additions	<u>(19)</u>	<u>(19)</u>	<u>(20)</u>	<u>(24)</u>	<u>(40)</u>	<u>(39)</u>	<u>(48)</u>	<u>(39)</u>	<u>(38)</u>	<u>(33)</u>	<u>(20)</u>	<u>(23)</u>	<u>(25)</u>	<u>(27)</u>	<u>(30)</u>	<u>(28)</u>
Non-GAAP cash flow from operations for fiscal quarter	(63)	(1)	5	11	1	39	31	19	(110)	(63)	10	33	46	101	113	83

	<u>Q1'07</u>	<u>Q2'07</u>	<u>Q3'07</u>	<u>Q4'07</u>	<u>Q1'08</u>	<u>Q2'08</u>	<u>Q3'08</u>	<u>Q4'08</u>	<u>Q1'09</u>	<u>Q2'09</u>	<u>Q3'09</u>	<u>Q4'09</u>	<u>Q1'10</u>	<u>Q2'10</u>	<u>Q3'10</u>
Net cash flows from continuing operating activities	(28)	42	29	88	34	48	39	43	(66)	19	103	65	27	108	118+
Include property, plant and equipment additions	<u>(22)</u>	<u>(23)</u>	<u>(19)</u>	<u>(22)</u>	<u>(29)</u>	<u>(28)</u>	<u>(19)</u>	<u>(12)</u>	<u>(6)</u>	<u>(11)</u>	<u>(9)</u>	<u>(15)</u>	<u>(18)</u>	<u>(18)</u>	<u>(18)</u>
Non-GAAP cash flow from operations for fiscal quarter	(50)	19	10	66	5	20	20	32	(72)	8	94	50	9	90	100+

	<u>Q1'99</u>	<u>Q2'99</u>	<u>Q3'99</u>	<u>Q4'99</u>	<u>Q1'00</u>	<u>Q2'00</u>	<u>Total</u>
Net Sales	344	401	497	549	615	748	3,154
Net cash flows from continuing operating activities	35	89	87	156	50	135	552
Net cash flows from continuing operating activities as a % of sales	10%	22%	18%	28%	8%	18%	18%
Include property, plant and equipment additions	(25)	(34)	(42)	(51)	(47)	(96)	(294)
Include property, plant and equipment additions as a % of sales	-7%	-8%	-8%	-9%	-8%	-13%	-9%
Non-GAAP cash flow from operations	11	55	45	105	3	39	258
Non-GAAP cash flow from operations as a % of sales	3%	14%	9%	19%	0%	5%	8%

	<u>Q1'02</u>	<u>Q2'02</u>	<u>Q3'02</u>	<u>Q4'02</u>	<u>Q1'03</u>	<u>Q2'03</u>	<u>Total</u>
Net Sales	248	310	331	334	335	332	1,888
Net cash flows from continuing operating activities	16	(22)	(14)	15	(44)	18	(31)
Net cash flows from continuing operating activities as a % of sales	6%	-7%	-4%	5%	-13%	5%	-2%
Include property, plant and equipment additions	(22)	(18)	(19)	(17)	(19)	(19)	(113)
Include property, plant and equipment additions as a % of sales	-9%	-6%	-6%	-5%	-6%	-6%	-6%
Non-GAAP cash flow from operations	(6)	(40)	(33)	(2)	(63)	(1)	(144)
Non-GAAP cash flow from operations as a % of sales	-2%	-13%	-10%	-1%	-19%	0%	-8%

	<u>Q2'05</u>	<u>Q3'05</u>	<u>Q4'05</u>	<u>Q1'06</u>	<u>Q2'06</u>	<u>Q3'06</u>	<u>Total</u>
Net Sales	226	294	345	356	387	357	1,965
Net cash flows from continuing operating activities	(30)	30	56	72	128	143	398
Net cash flows from continuing operating activities as a % of sales	-13%	10%	16%	20%	33%	40%	20%
Include property, plant and equipment additions	(33)	(20)	(23)	(25)	(27)	(30)	(158)
Include property, plant and equipment additions as a % of sales	-14%	-7%	-7%	-7%	-7%	-8%	-8%
Non-GAAP cash flow from operations	(63)	10	33	46	101	113	240
Non-GAAP cash flow from operations as a % of sales	-28%	3%	10%	13%	26%	31%	12%

	<u>Q2'07</u>	<u>Q3'07</u>	<u>Q4'07</u>	<u>Q1'08</u>	<u>Q2'08</u>	<u>Q3'08</u>	<u>Total</u>
Net Sales	289	299	260	297	318	297	1,761
Net cash flows from continuing operating activities	42	29	88	34	48	39	280
Net cash flows from continuing operating activities as a % of sales	15%	10%	34%	12%	15%	13%	16%
Include property, plant and equipment additions	(23)	(19)	(22)	(29)	(28)	(19)	(140)
Include property, plant and equipment additions as a % of sales	-8%	-6%	-9%	-10%	-9%	-6%	-8%
Non-GAAP cash flow from operations	19	10	66	5	20	20	141
Non-GAAP cash flow from operations as a % of sales	7%	3%	25%	2%	6%	7%	8%
	<u>Q2'09</u>	<u>Q3'09</u>	<u>Q4'09</u>	<u>Q1'10</u>	<u>Q2'10</u>	<u>Q3'10</u>	<u>Total</u>
Net Sales	170	262	267	330	455	505	1,988
Net cash flows from continuing operating activities	19	103	65	27	108	118	440
Net cash flows from continuing operating activities as a % of sales	11%	39%	24%	8%	24%	23%	22%
Include property, plant and equipment additions	(11)	(9)	(15)	(18)	(18)	(18)	(90)
Include property, plant and equipment additions as a % of sales	-7%	-3%	-6%	-5%	-4%	-4%	-5%
Non-GAAP cash flow from operations	8	94	50	9	90	100	350
Non-GAAP cash flow from operations as a % of sales	4%	36%	19%	3%	20%	20%	18%