

Second Quarter Fiscal 2023 Earnings

SUPPLEMENTAL SLIDES

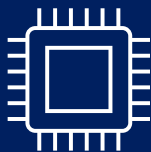
FEBRUARY 2, 2023

Safe Harbor Statement

This presentation contains forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business, and can be identified by the fact that they do not relate strictly to historical or current facts. Such forward-looking statements may include words such as “expect,” “anticipate,” “intend,” “believe,” “estimate,” “plan,” “target,” “strategy,” “continue,” “may,” “will,” “should,” variations of such words, or other words and terms of similar meaning. All forward-looking statements reflect our best judgment and are based on several factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Such factors include, but are not limited to, the risks as identified in the “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” sections of our most recent Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q; and other risks as identified from time to time in our Securities and Exchange Commission reports. Forward-looking statements are based on information available to us on the date hereof, and we do not have, and expressly disclaim, any obligation to publicly release any updates or any changes in our expectations, or any change in events, conditions, or circumstances on which any forward-looking statement is based. Our actual results and the timing of certain events could differ materially from the forward-looking statements. These forward-looking statements do not reflect the potential impact of any mergers, acquisitions, or other business combinations that had not been completed as of the date of this presentation.

High-Performance IoT Semiconductor Solutions Leader

Analog Mixed Signal Semiconductors



Broad Product Portfolio

IoT Product Applications



IoT accounted for 73% of total revenues in 1H'FY23

Best-in-Class Margin Profile



Non-GAAP Gross Margin 61.3% in 1H'FY23

Revenue Growth



1H'FY23 Revenue increased 1% YoY

Note: As-reported Q1 & Q2 fiscal year 2023, not proforma for any acquisition/divestiture activity over this timeframe
See the tables at the end of this presentation for GAAP to Non-GAAP reconciliations

Technology Leadership Across The Product Portfolio

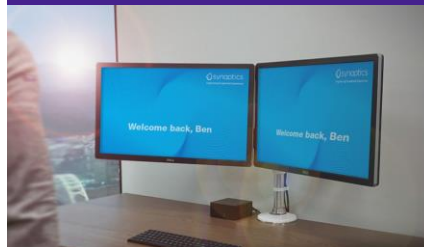
Wireless Connectivity



Automotive



Video Interface



Virtual Reality Headsets



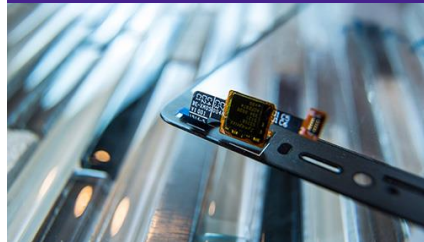
PC Touchpad / Biometric Fingerprint



Audio Processors



Mobile

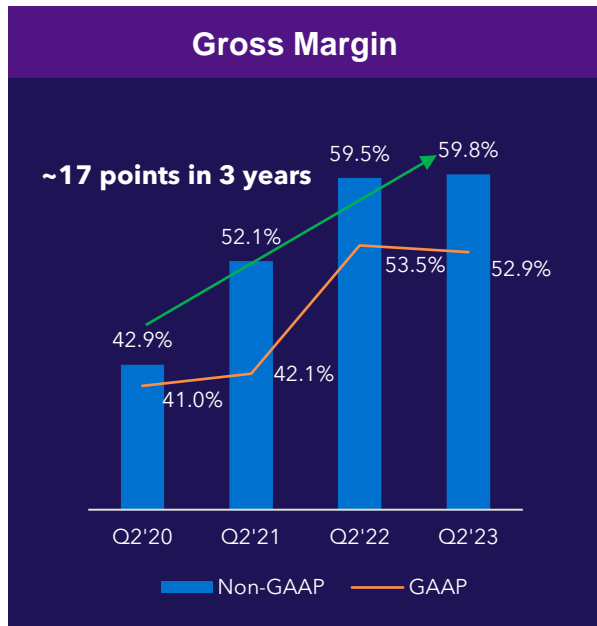
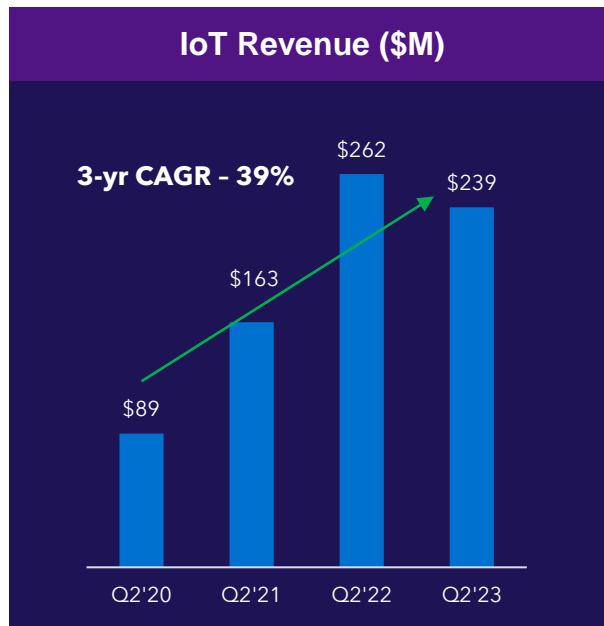


Video Processors



YoY Financial Performance

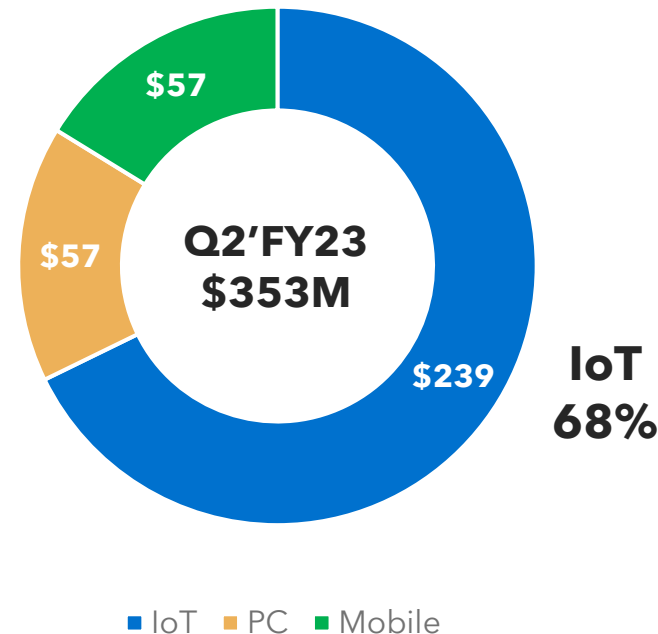
- 3-year IoT revenue CAGR of 39%
- Best-in-class GAAP and non-GAAP gross margin
- Solid non-GAAP diluted earnings per share



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See the tables at the end of this presentation for GAAP to Non-GAAP reconciliations

Q2'FY23 Financial Highlights

- Revenue of **\$353.1 million**, down 16% YoY
- IoT Revenue was down only 8% YoY and accounted for 68% of total revenue
- Solid GAAP and non-GAAP gross margin
 - GAAP gross margin of 52.9%
 - Non-GAAP gross margin of 59.8%
- GAAP diluted earnings per share of \$0.55
- Non-GAAP diluted earnings per share of \$2.20
- Cash flow from operations of \$48 million, cash and investments of \$859 million on the balance sheet
- Repurchased approximately 634K shares during the quarter for a total consideration of roughly \$61 million.



Q2'FY23 Business Highlights

- Showcased the world's first **wireless docking solution** from our customer Lenovo incorporating multiple Synaptics' devices
- Introduced **next-generation GPS** device that is 80% more power efficient
- Introduced new **SmartBridge** family of devices for the Automotive market that performs 'local dimming', substantially increasing infotainment display performance
- Announced multiple wins for our newest **Presence Detection** solution in PC applications
- Continued expansion of Wireless Connectivity traction in the Security market



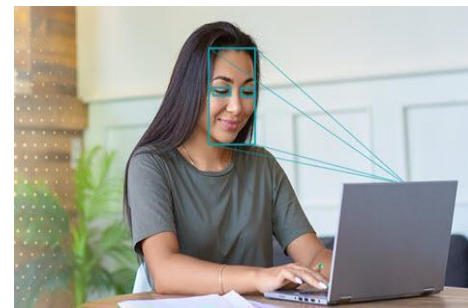
Wireless docking



Next-gen GPS device

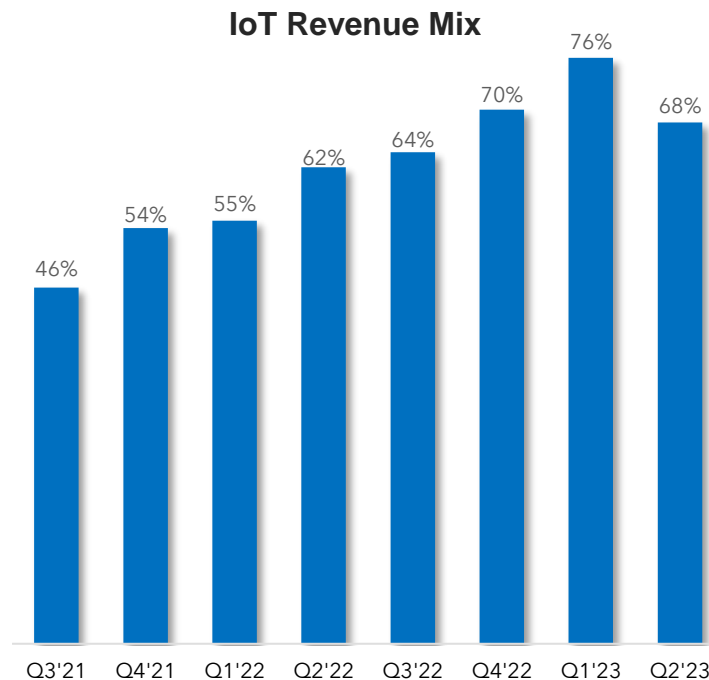
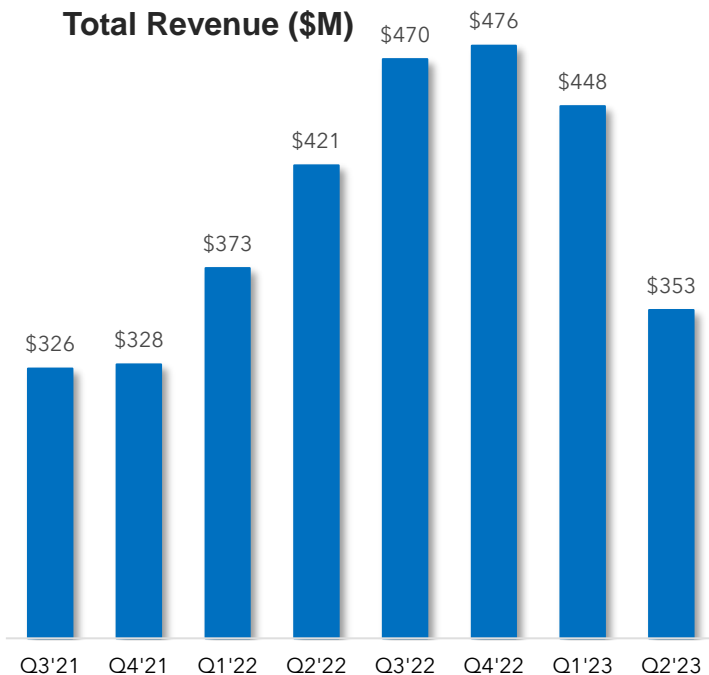


SmartBridge with Local Dimming



Presence Detection

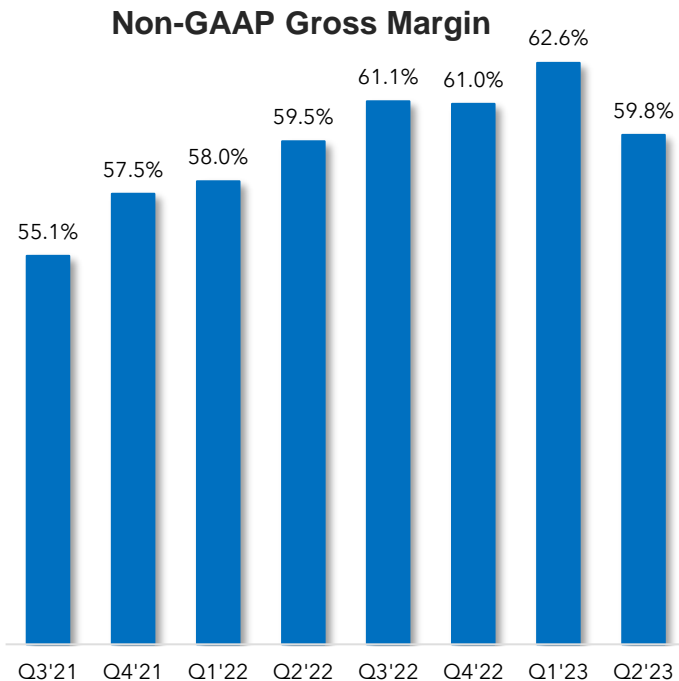
Quarterly Revenue Trend



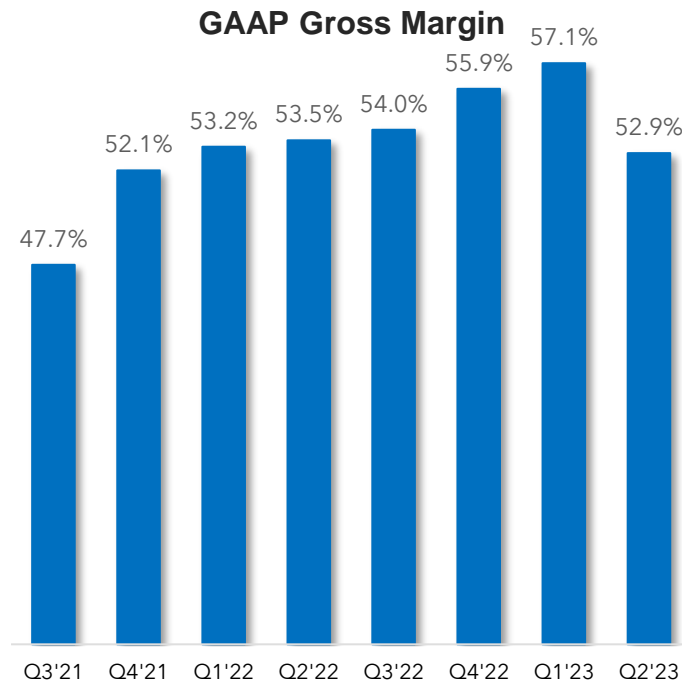
Note: As-reported, not proforma for any acquisition/divestiture activity over this timeframe

Quarterly Gross Margin Trend

Non-GAAP Gross Margin



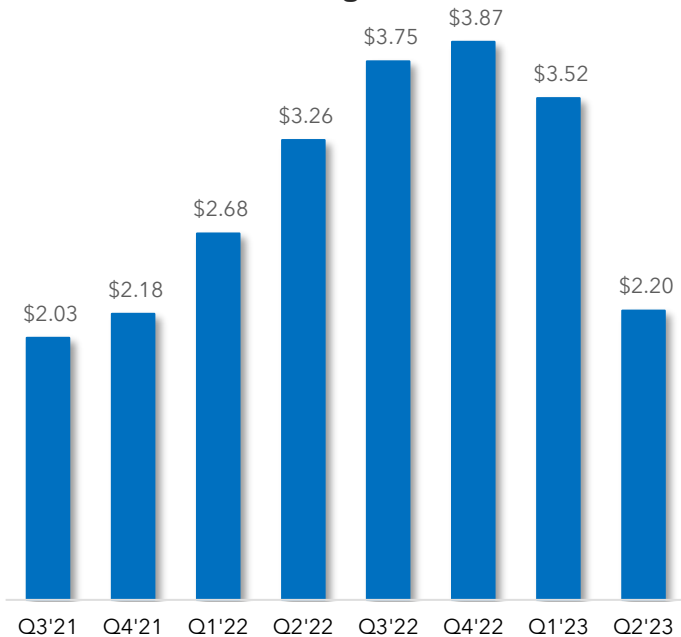
GAAP Gross Margin



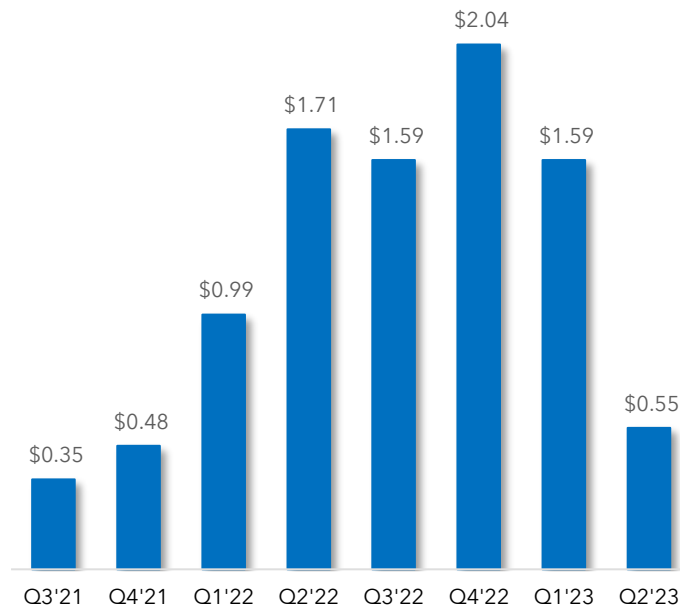
Note: As-reported, not proforma for any acquisition/divestiture activity over this timeframe
 See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

Quarterly Earnings Per Share Trend

Non-GAAP Earnings Per Share



GAAP Earnings Per Share



Note: As-reported, not proforma for any acquisition/divestiture activity over this timeframe
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Q2'FY23 Financial Results

\$M (except EPS)	Q2'22	Q1'23	Q2'23	QoQ	YoY
Revenue	\$420.5	\$448.1	\$353.1	(21%)	(16%)
GAAP Gross Margin %	53.5%	57.1%	52.9%	-420 bps	-60 bps
GAAP Operating Expenses	\$147.5	\$143.7	\$140.6	(2%)	(5%)
GAAP EPS Diluted	\$1.71	\$1.59	\$0.55	(65%)	-68%
Non-GAAP Gross Margin %	59.5%	62.6%	59.8%	-280 bps	30 bps
Non-GAAP Operating Expenses	\$94.2	\$100.2	\$98.4	(2%)	4%
Non-GAAP EPS Diluted	\$3.26	\$3.52	\$2.20	(38%)	(33%)

See the tables at the end of this presentation for a reconciliation of GAAP results to non-GAAP financial measures

Q2'FY23 Balance Sheet

In Millions	Q4'22	Q1'23	Q2'23
Cash & ST Investments	\$876.0	\$911.8	\$858.9
AR	\$322.1	\$284.1	\$255.0
Inventory	\$169.7	\$179.4	\$177.5
PP&E	\$62.9	\$63.4	\$65.9
Other	\$1,427.4	\$1,386.1	\$1,368.0
Total Assets	\$2,858.1	\$2,824.8	\$2,725.3
Current Liabilities (excluding debt)	\$457.4	\$359.3	\$293.3
Debt, net	\$981.7	\$980.8	\$979.9
Other Liabilities	\$152.6	\$159.6	\$151.7
Shareholder's Equity	\$1,266.4	\$1,325.1	\$1,300.4
Total Liabilities & Equity	\$2,858.1	\$2,824.8	\$2,725.3

Balances are as of the end of each quarter presented
 Debt, net balance reflects debt net of discount and debt issuance costs

Q3'FY23 Guidance

\$M (except EPS)	GAAP	Non-GAAP
Revenue	\$310M - \$340	NA
Gross Margin*	52.0% - 55.0%	60.0% - 62.0%
Operating Expenses**	\$139 - \$144	\$98 - \$102
EPS Diluted***	\$0.20 - \$0.50	\$1.65 - \$2.05
Revenue mix		
IoT	72%	NA
PC	15%	NA
Mobile	13%	NA

* Projected Non-GAAP gross margin excludes \$23.0 million of intangible asset amortization and \$1.0 million of share-based compensation.

** Projected Non-GAAP operating expense excludes \$31.5 million to \$32.5 million of share-based compensation, \$0.8 million of prepaid development amortization, and \$9.0 million of intangible asset amortization.

***Projected Non-GAAP EPS excludes \$0.81 to \$0.84 of share-based compensation, \$0.80 of intangible asset amortization, \$0.02 of prepaid development amortization, \$0.02 of other items partially offset by Non-GAAP tax adjustments.

Appendix

GAAP to Non-GAAP Reconciliation Tables

	Q2'23 Actual	Q1'23 Actual	Q4'22 Actual	Q3'22 Actual	Q2'22 Actual	Q1'22 Actual	Q4'21 Actual	Q3'21 Actual	Q2'21 Actual	Q1'21 Actual	Q2'20 Actual
GAAP gross margin	\$ 186.7	\$ 255.7	\$ 266.1	\$ 253.8	\$ 225.1	\$ 198.1	\$ 170.8	\$ 155.5	\$ 150.4	\$ 134.5	\$ 159.3
Acquisition related costs	23.3	23.5	23.7	32.4	24.0	16.9	16.9	23.2	34.8	28.5	8.2
Loss/(recovery) on supply commitment	-	-	-	-	-	-	-	-	-	(0.6)	(1.8)
Retention costs	-	-	-	-	-	-	-	-	-	-	0.2
Share-based compensation	1.0	1.1	1.0	0.9	1.3	1.0	0.8	0.8	1.0	0.8	0.6
Non-GAAP gross margin	\$ 211.0	\$ 280.3	\$ 290.8	\$ 287.1	\$ 250.4	\$ 216.0	\$ 188.5	\$ 179.5	\$ 186.2	\$ 163.2	\$ 166.5
GAAP gross margin - percentage of revenue	52.9%	57.1%	55.9%	54.0%	53.5%	53.2%	52.1%	47.7%	42.1%	41.0%	41.0%
Acquisition related costs - percentage of revenue	6.6%	5.3%	4.9%	6.9%	5.7%	4.5%	5.2%	7.1%	9.7%	8.7%	2.1%
Loss/(recovery) on supply commitment - percentage of revenue	-	-	-	-	-	-	-	-	-	-0.2%	-0.5%
Retention costs	-	-	-	-	-	-	-	-	-	-	0.1%
Share-based compensation - percentage of revenue	0.3%	0.2%	0.2%	0.2%	0.3%	0.3%	0.2%	0.2%	0.3%	0.2%	0.2%
Non-GAAP gross margin - percentage of revenue	59.8%	62.6%	61.0%	61.1%	59.5%	58.0%	57.5%	55.1%	52.1%	49.7%	42.9%
GAAP operating expense	\$ 140.6	\$ 143.7	\$ 142.0	\$ 165.7	\$ 147.5	\$ 137.5	\$ 119.9	\$ 123.9	\$ 91.9	\$ 128.5	\$ 124.8
Share-based compensation	(29.0)	(31.5)	(25.7)	(33.2)	(35.3)	(34.6)	(22.3)	(24.3)	(22.4)	(20.7)	(14.5)
Acquisition related costs	(10.7)	(9.5)	(9.1)	(13.1)	(10.4)	(10.6)	(8.6)	(8.7)	(9.6)	(9.1)	(4.4)
Restructuring costs	-	-	(0.5)	(11.3)	(5.1)	(1.4)	(0.3)	(0.9)	(0.6)	(5.6)	(13.3)
Retention program costs	-	-	-	-	-	-	-	(0.1)	(1.1)	(3.9)	(3.4)
Amortization of prepaid development costs	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(1.7)	-
Gain on sale of audio technology assets	-	-	-	-	-	-	-	-	34.2	-	-
Non-GAAP operating expense	\$ 98.4	\$ 100.2	\$ 104.2	\$ 105.6	\$ 94.2	\$ 88.4	\$ 86.2	\$ 87.4	\$ 89.9	\$ 87.5	\$ 89.2

GAAP to Non-GAAP Reconciliation Tables - continued

	Q2'23 Actual	Q1'23 Actual	Q4'22 Actual	Q3'22 Actual	Q2'22 Actual	Q1'22 Actual	Q4'21 Actual	Q3'21 Actual	Q2'21 Actual	Q1'21 Actual	Q2'20 Actual
GAAP net income	\$ 22.0	\$ 64.6	\$ 82.9	\$ 64.9	\$ 69.5	\$ 40.2	\$ 19.0	\$ 13.8	\$ 49.6	\$ (2.8)	\$ 19.8
Acquisition & transaction/integration related costs	34.0	33.0	32.8	45.5	34.4	27.5	25.5	31.9	44.4	37.6	12.6
Loss/(recovery) on supply commitment	-	-	-	-	-	-	-	-	-	(0.6)	(1.8)
Share-based compensation	30.0	32.6	26.7	34.1	36.6	35.6	23.1	25.1	23.4	21.5	15.1
Restructuring costs	-	-	0.5	11.3	5.1	1.4	0.3	0.9	0.6	5.6	13.3
Retention program costs	-	-	-	-	-	-	-	0.1	1.1	3.9	3.6
Amortization of prepaid development costs	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	1.7	-
Gain on sale and leaseback transaction	-	-	-	(5.4)	-	-	-	-	-	-	-
Gain on sale of audio technology assets	-	-	-	-	-	-	-	-	(34.2)	-	-
Gain on supplier settlement	-	-	-	(1.8)	-	-	-	-	-	-	-
Other items, net	0.7	0.6	0.7	0.6	0.4	9.9	5.4	5.0	4.9	4.8	4.7
Equity investment (gain) / loss	-	-	-	(2.5)	0.4	0.5	7.7	0.4	0.5	0.5	0.4
Non-GAAP tax adjustments	(0.7)	9.8	10.9	3.5	(16.1)	(8.9)	3.1	(0.4)	(9.0)	(5.5)	2.4
Non-GAAP net income	\$ 88.5	\$ 143.1	\$ 157.0	\$ 152.7	\$ 132.8	\$ 108.7	\$ 86.6	\$ 79.3	\$ 83.8	\$ 66.7	\$ 70.1
GAAP net income per share - diluted	\$ 0.55	\$ 1.59	\$ 2.04	\$ 1.59	\$ 1.71	\$ 0.99	\$ 0.48	\$ 0.35	\$ 1.36	\$ (0.08)	\$ 0.58
Acquisition & transaction/integration related costs	0.84	0.81	0.81	1.11	0.84	0.68	0.64	0.82	1.22	1.10	0.37
Loss/(recovery) on supply commitment	-	-	-	-	-	-	-	-	-	(0.02)	(0.05)
Share-based compensation	0.75	0.80	0.66	0.84	0.90	0.88	0.58	0.64	0.64	0.63	0.44
Restructuring costs	-	-	0.01	0.28	0.13	0.03	0.01	0.02	0.02	0.16	0.39
Retention program costs	-	-	-	-	-	-	-	-	0.03	0.11	0.10
Amortization of prepaid development costs	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.07	0.07	0.05	-
Gain on sale and leaseback transaction	-	-	-	(0.13)	-	-	-	-	-	-	-
Gain on sale of audio technology assets	-	-	-	-	-	-	-	-	(0.94)	-	-
Gain on supplier settlement	-	-	-	(0.04)	-	-	-	-	-	-	-
Other items, net	0.02	0.02	0.02	0.01	0.01	0.25	0.13	0.13	0.14	0.14	0.14
Equity investment (gain) / loss	-	-	-	(0.06)	0.01	0.01	0.20	0.01	0.01	0.01	0.01
Non-GAAP tax adjustment	(0.02)	0.24	0.27	0.09	(0.40)	(0.22)	0.08	(0.01)	(0.25)	(0.16)	0.06
Non-GAAP share adjustment	-	-	-	-	-	-	-	-	-	(0.09)	-
Non-GAAP net income per share - diluted	\$ 2.20	\$ 3.52	\$ 3.87	\$ 3.75	\$ 3.26	\$ 2.68	\$ 2.18	\$ 2.03	\$ 2.30	\$ 1.85	\$ 2.04



Engineering Exceptional Experiences