Teradyne, Inc.

Certain Non-GAAP financial measures discussed during the Third Quarter of 2020 Earnings Conference Call October 21, 2020

On the Company's earnings conference call on October 21, 2020, the following non-GAAP financial measures were discussed or presented:

- Q3'20 EPS ($1.18)
- Q2'20 EPS ($1.33)
- Q3'19 EPS ($0.77)
- 9Mos'20 EPS ($3.52)
- 9Mos'19 EPS ($1.97)
- Q3'20 net income ($205.4M)
- FYE'20 EPS at Midpoint of Q4'20 Guidance ($4.50)
- Q4'20 Guidance EPS ($0.90 to $1.06)
- 53% EPS growth Q3'20 vs. Q3'19
- 79% EPS growth 9Mos'20 vs. 9Mos'19
- Q3'20 operating profit (30%)
- Q3'20 operating expenses ($211M)
- Q3'20 diluted shares (175M)
- Q3'20 tax rate (17.4%)
- 2020E tax rate (15.5%)
- Q3'20 free cash flow ($280M)
- Q4'20 Guidance diluted shares (175M)
- Q3'20 GM (56%)
- Q4'20 Guidance Operating expenses (29% -31%)
- Q4'20 Guidance Midpoint Operating Profit Rate (29%)
- FY'19 operating profit (25%)
- 9Mos'18 EPS ($1.74)
- Q1'20 EPS $1.00
- Q3'20 – Gross Margin (56% and $459M), Operating Expenses (25.7% and $211M), Operating Profit (30.3% and $248M), EPS ($1.18), Free Cash Flow ($280M), Effective Tax Rate (17.4% or $43M), Diluted shares (175M), net interest/other ($0M)
- Q2'20 – Gross Margin (56.2% and $472M), Operating Expenses (24.7% and $207M), Operating Profit (31.5% and $264M), EPS ($1.33), Free Cash Flow ($178M), Effective Tax Rate (14.1% or $38M), Diluted shares (173M)
- Q3'19 – Gross Margin (59.3% and $345M), Operating Expenses (31.8% and $185M), Operating Profit (27.5% and $160M), EPS ($0.77), Free Cash Flow ($162M), Effective Tax Rate (16.9% or $27M), Diluted shares (175M)
- Q4'20 Guidance – Operating Expenses (31-29%), Operating Profit (28-30%), net interest/other (-$2M), Effective Tax Rate (15.5%), EPS ($0.90-$1.06), Diluted shares (175M)

GAAP to Non-GAAP Reconciliation	**Mid Guidance Q4 2020**
GAAP income from operations as a % of revenue ($710M)	28%
Exclude acquired intangible asset amortization	1%
Non-GAAP income from operations as a % of revenue ($710M)	29%

GAAP and non-GAAP fourth quarter revenue guidance (mid point):	$710 million
GAAP net income per diluted share	$ 0.89
Exclude acquired intangible assets amortization	0.03
Exclude non-cash convertible debt interest	0.02
Tax effect of non-GAAP adjustments	(0.01)
Convertible share adjustment	0.06
Non-GAAP net income per diluted share	$ 0.98

	Twelve Months Ended	
	December 31, 2019	**% of Net Revenues**
Net Revenues	$ 2,295.0	
Income from operations - GAAP	$ 553.7	*24.1%*
Acquired intangible assets amortization	40.1	*1.7%*
Equity modification charge	2.1	*0.1%*
Restructuring and other	(13.9)	*-0.6%*
Inventory step-up	0.4	*0.0%*
Income from operations - non-GAAP	$ 582.4	*25.4%*

Appendix | GAAP to Non-GAAP Reconciliation

In addition to disclosing results that are determined in accordance with GAAP, Teradyne also discloses in this presentation and on the earnings call 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 performance 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 performance 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 the Company's 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. A reconciliation of each available GAAP to non-GAAP financial measure discussed in this presentation is contained in the following slides and on the Teradyne website at www.teradyne.com by clicking on "Investors" and then selecting the "GAAP to Non-GAAP Reconciliation" link. The non-GAAP performance measures discussed in this presentation may not be comparable to similarly titled measures used by other companies. The 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.

Appendix | GAAP to Non-GAAP Reconciliation

GAAP to Non-GAAP Earnings Reconciliation
(In millions, except per share amounts)

	Quarter Ended					
	September 27, 2020	% of Net Revenues	June 28, 2020	% of Net Revenues	September 29, 2019	% of Net Revenues
Net revenues	$ 819.5		$ 838.7		$ 582.0	
Gross profit GAAP	$ 458.9	56.0%	$ 471.5	56.2%	$ 345.0	59.3%
Inventory step-up	0.1	0.0%	0.1	0.0%	-	-
Gross profit non-GAAP	$ 459.0	56.0%	$ 471.6	56.2%	$ 345.0	59.3%
Income from operations - GAAP	$ 269.7	32.9%	$ 217.9	26.0%	$ 154.9	26.6%
Restructuring and other (1)	(27.7)	-3.4%	37.2	4.4%	(6.5)	-1.1%
Acquired intangible assets amortization	6.2	0.8%	8.9	1.1%	9.6	1.6%
Inventory step-up	0.1	0.0%	0.1	0.0%	-	-
Equity modification charge (2)	-	-	-	-	2.1	0.4%
Income from operations - non-GAAP	$ 248.3	30.3%	$ 264.1	31.5%	$ 160.1	27.5%

	September 27, 2020	% of Net Revenues	Net Income per Common Share Basic	Net Income per Common Share Diluted	June 28, 2020	% of Net Revenues	Net Income per Common Share Basic	Net Income per Common Share Diluted	September 29, 2019	% of Net Revenues	Net Income per Common Share Basic	Net Income per Common Share Diluted
Net income - GAAP	$ 222.7	27.2%	$ 1.34	$ 1.21	$ 188.9	22.5%	$ 1.14	$ 1.05	$ 135.9	23.4%	$ 0.80	$ 0.75
Restructuring and other (1)	(27.7)	-3.4%	(0.17)	(0.15)	37.2	4.4%	0.22	0.21	(6.5)	-1.1%	(0.04)	(0.04)
Acquired intangible assets amortization	6.2	0.8%	0.04	0.03	8.9	1.1%	0.05	0.05	9.6	1.6%	0.06	0.05
Interest and other (3)	3.6	0.4%	0.02	0.02	3.6	0.4%	0.02	0.02	3.5	0.6%	0.02	0.02
Pension mark-to-market adjustment (3)	2.7	0.3%	0.02	0.01	(0.1)	0.0%	(0.00)	(0.00)	-	-	-	-
Inventory step-up	0.1	0.0%	0.00	0.00	0.1	0.0%	0.00	0.00	-	-	-	-
Equity modification charge (2)	-	0.0%	-	-	-	-	-	-	2.1	0.4%	0.01	0.01
Exclude discrete tax adjustments (4)	(4.4)	-0.5%	(0.03)	(0.02)	(1.1)	-0.1%	(0.01)	(0.01)	(7.7)	-1.3%	(0.05)	(0.04)
Non-GAAP tax adjustments	2.2	0.3%	0.01	0.01	(8.3)	-1.0%	(0.05)	(0.05)	(3.5)	-0.6%	(0.02)	(0.02)
Convertible share adjustment (5)	-	-	-	0.06	-	-	-	0.06	-	-	-	0.02
Net income - non-GAAP	$ 205.4	25.1%	$ 1.24	$ 1.18	$ 229.2	27.3%	$ 1.38	$ 1.33	$ 133.4	22.9%	$ 0.79	$ 0.77

	September 27, 2020	June 28, 2020	September 29, 2019
GAAP and non-GAAP weighted average common shares - basic	166.0	165.8	169.6
GAAP weighted average common shares - diluted	184.3	180.3	180.5
Exclude dilutive shares related to convertible note transaction	(9.2)	(7.6)	(5.8)
Non-GAAP weighted average common shares - diluted	175.2	172.7	174.7

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Appendix | GAAP to Non-GAAP Reconciliation

(1) Restructuring and other consists of:

	Quarter Ended		
	September 27, 2020	June 28, 2020	September 29, 2019
Contingent consideration fair value adjustment	$ (27.2)	$ 29.3	$ (7.8)
Acquisition related expenses and compensation	(1.1)	3.1	0.5
Employee severance	0.5	-	0.8
Contract termination settlement fee	-	4.0	-
Other	0.1	0.8	-
	$ (27.7)	$ 37.2	$ (6.5)

(2) For the quarter ended September 29, 2019, selling and administrative expenses include an equity charge for the modification of Teradyne's retired CFO's outstanding equity awards to allow continued vesting and maintain the original term in connection with his July 17, 2019 retirement.

(3) For the quarters ended September 27, 2020, June 28, 2020, and September 29, 2019, adjustment to exclude non-cash convertible debt interest expense. For the quarters ended September 27, 2020 and June 28, 2020, adjustment to exclude actuarial (gain) loss recognized under GAAP in accordance with Teradyne's mark-to-market pension accounting.

(4) For the quarters ended September 27, 2020, June 28, 2020, and September 29, 2019, adjustment to exclude discrete income tax items.

(5) For the quarters ended September 27, 2020 and June 28, 2020, the non-GAAP diluted EPS calculation adds back $1.3 million of convertible debt interest expense to non-GAAP net income and non-GAAP weighted average diluted common shares include 7.8 million and 5.8 million shares, respectively, related to the convertible debt hedge transaction.

Appendix | GAAP to Non-GAAP Reconciliation

	Nine Months Ended			
	September 27, 2020	% of Net Revenues	September 29, 2019	% of Net Revenues
Net Revenues	$ 2,362.5		$ 1,640.3	
Gross profit GAAP	$ 1,336.0	56.6%	$ 956.6	58.3%
Inventory step-up	0.4	0.0%	0.4	0.0%
Gross profit non-GAAP	$ 1,336.4	56.6%	$ 957.0	58.3%
Income from operations - GAAP	$ 694.3	29.4%	$ 382.0	23.3%
Acquired intangible assets amortization	25.1	1.1%	30.4	1.9%
Restructuring and other (1)	1.9	0.1%	(11.8)	-0.7%
Inventory step-up	0.4	0.0%	0.4	0.0%
Equity modification charge (2)	-	-	2.1	0.1%
Income from operations - non-GAAP	$ 721.7	30.5%	$ 403.1	24.6%

	September 27, 2020	% of Net Revenues	Net Income per Common Share Basic	Net Income per Common Share Diluted	September 29, 2019	% of Net Revenues	Net Income per Common Share Basic	Net Income per Common Share Diluted
Net income - GAAP	$ 587.8	24.9%	$ 3.54	$ 3.23	$ 342.4	20.9%	$ 2.00	$ 1.92
Acquired intangible assets amortization	25.1	1.1%	0.15	0.14	30.4	1.9%	0.18	0.17
Interest and other (3)	10.8	0.5%	0.07	0.06	10.2	0.6%	0.06	0.06
Pension mark-to-market adjustments (3)	2.6	0.1%	0.02	0.01	0.4	0.0%	0.00	0.00
Restructuring and other (1)	1.9	0.1%	0.01	0.01	(11.8)	-0.7%	(0.07)	(0.07)
Inventory step-up	0.4	0.0%	0.00	0.00	0.4	0.0%	0.00	0.00
Equity modification charge (2)	-	-	-	-	2.1	0.1%	-	-
Exclude discrete tax adjustments (4)	(13.1)	-0.6%	(0.08)	(0.07)	(23.9)	-1.5%	(0.14)	(0.13)
Non-GAAP tax adjustments	(8.0)	-0.3%	(0.05)	(0.04)	(9.0)	-0.5%	(0.05)	(0.05)
Convertible share adjustment (5)	-	-	-	0.16	-	-	-	0.06
Net income - non-GAAP	$ 607.5	25.7%	$ 3.66	$ 3.52	$ 341.2	20.8%	$ 1.99	$ 1.97
GAAP and non-GAAP weighted average common shares - basic	166.1				171.5			
GAAP weighted average common shares - diluted	181.8				178.7			
Exclude dilutive shares from convertible note	(8.0)				(5.9)			
Non-GAAP weighted average common shares - diluted	173.8				172.8			

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Appendix | GAAP to Non-GAAP Reconciliation

(1) Restructuring and other consists of:

	Nine Months Ended	
	September 27, 2020	September 29, 2019
Contingent consideration fair value adjustment	$ (8.0)	$ (16.5)
Contract termination settlement fee	4.0	-
Acquisition related expenses and compensation	3.4	2.3
Employee severance	1.2	2.4
Other	1.2	-
	$ 1.9	$ (11.8)

(2) For the nine months ended September 29, 2019, selling and administrative expenses include an equity charge for the modification of Teradyne's retired CFO's outstanding equity awards to allow continued vesting and maintain the original term in connection with his July 17, 2019 retirement.

(3) For the nine months ended September 27, 2020 and September 29, 2019, Interest and other included non-cash convertible debt interest expense. For the nine months ended September 27, 2020 and September 29, 2019, adjustments to exclude actuarial (gain) loss recognized under GAAP in accordance with Teradyne's mark-to-market pension accounting.

(4) For the nine months ended September 27, 2020 and September 29, 2019, adjustment to exclude discrete income tax items. For the nine months ended September 29, 2019, income tax (benefit) provision includes a $26 million tax benefit from the release of uncertain tax position reserves due to the IRS completion of its audit of Teradyne's 2015 Federal tax return and includes a $15 million tax provision related to the finalization of

(5) For the nine months ended September 27, 2020, the non-GAAP diluted EPS calculation adds back $3.9 million of convertible debt interest expense to non-GAAP net income and non-GAAP weighted average diluted common shares include 6.4 million shares related to the convertible debt hedge transaction.

Appendix | GAAP to Non-GAAP Reconciliation

Nine Months Ended

	September 29, 2019	% of Net Revenues	September 30, 2018	% of Net Revenues
Net Revenues	$ 1,640.3		$ 1,581.2	
Gross profit GAAP	$ 956.6	58.3%	$ 910.9	57.6%
Inventory step-up	0.4	0.0%	0.4	0.0%
Gross profit non-GAAP	$ 957.0	58.3%	$ 911.3	57.6%
Income from operations - GAAP	$ 382.0	23.3%	$ 361.5	22.9%
Acquired intangible assets amortization	30.4	1.9%	28.6	1.8%
Equity modification charge (1)	2.1	0.1%	-	-
Restructuring and other (2)	(11.8)	-0.7%	3.8	0.2%
Inventory step-up	0.4	0.0%	0.4	0.0%
Income from operations - non-GAAP	$ 403.1	24.6%	$ 394.3	24.9%

	September 29, 2019	% of Net Revenues	Net Income per Common Share		September 30, 2018	% of Net Revenues	Net Income per Common Share	
			Basic	Diluted			Basic	Diluted
Net income - GAAP	$ 342.4	20.9%	$ 2.00	$ 1.92	$ 308.0	19.5%	$ 1.62	$ 1.57
Acquired intangible assets amortization	30.4	1.9%	0.18	0.17	28.6	1.8%	0.15	0.15
Interest and other (3)	10.2	0.6%	0.06	0.06	9.7	0.6%	0.05	0.05
Equity modification charge (1)	2.1	0.1%	0.01	0.01	-	-	-	-
Restructuring and other (2)	(11.8)	-0.7%	(0.07)	(0.07)	3.8	0.2%	0.02	0.02
Inventory step-up	0.4	0.0%	0.00	0.00	0.4	0.0%	0.00	0.00
Pension mark-to-market adjustment (3)	0.4	0.0%	0.00	0.00	0.2	0.0%	0.00	0.00
Exclude discrete tax adjustments (4)	(23.9)	-1.5%	(0.14)	(0.13)	(6.5)	-0.4%	(0.03)	(0.03)
Non-GAAP tax adjustments	(9.0)	-0.5%	(0.05)	(0.05)	(8.7)	-0.6%	(0.05)	(0.04)
Convertible share adjustment	-	-	-	0.06	-	-	-	0.03
Net income - non-GAAP	$ 341.2	20.8%	$ 1.99	$ 1.97	$ 335.5	21.2%	$ 1.76	$ 1.74

	September 29, 2019	September 30, 2018
GAAP and non-GAAP weighted average common shares - basic	171.5	190.6
GAAP weighted average common shares - diluted	178.7	196.3
Exclude dilutive shares from convertible note	(5.9)	(4.0)
Non-GAAP weighted average common shares - diluted	172.8	192.3

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Appendix | GAAP to Non-GAAP Reconciliation

(1) For the nine months ended September 29, 2019, selling and administrative expenses include an equity charge for the modification of Teradyne's retired CFO's outstanding equity awards to allow continued vesting and maintain the original term in connection with his July 17, 2019 retirement

(2) Restructuring and other consists of:

	Nine Months Ended	
	September 29, 2019	September 30, 2018
Contingent consideration fair value adjustment	$ (16.5)	$ (9.2)
Acquisition related expenses and compensation	2.3	4.1
Employee severance	2.4	7.9
Other	-	0.9
	$ (11.8)	$ 3.8

(3) For the nine months ended September 29, 2019 and September 30, 2018, Interest and other included non-cash convertible debt interest expense. For the nine months ended September 29, 2019 and September 30, 2018, adjustments to exclude actuarial loss recognized under GAAP in accordance with Teradyne's mark-to-market pension accounting.

(4) For the nine months ended September 29, 2019 and September 30, 2018, adjustment to exclude discrete income tax items. For the nine months ended September 29, 2019, GAAP income tax provision includes a $26 million tax benefit from the release of uncertain tax position reserves due to the IRS completion of its audit of Teradyne's 2015 Federal tax return and includes a $15 million tax provision related to the finalization of our toll tax charge.

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Appendix | GAAP to Non-GAAP Reconciliation

GAAP to Non-GAAP Earnings Reconciliation

(In millions, except per share amounts)

	March 29, 2020	% of Net Revenues
Net revenues	$ 704.4	
Gross profit GAAP and non-GAAP	$ 405.6	57.6%
Inventory step-up	0.1	0.0%
Gross profit non-GAAP	$ 405.7	57.6%
Income from operations - GAAP	$ 206.7	29.3%
Acquired intangible assets amortization	9.9	1.4%
Restructuring and other (1)	(7.6)	-1.1%
Inventory step-up	0.1	0.0%
Income from operations - non-GAAP	$ 209.1	29.7%

	March 29, 2020	% of Net Revenues	Net Income per Common Share Basic	Net Income per Common Share Diluted
Net income - GAAP	$ 176.2	25.0%	$ 1.06	$ 0.97
Acquired intangible assets amortization	9.9	1.4%	0.06	0.05
Interest and other (2)	3.5	0.5%	0.02	0.02
Restructuring and other (1)	(7.6)	-1.1%	(0.05)	(0.04)
Pension mark-to-market adjustment (2)	-	-	-	-
Inventory step-up	0.1	0.0%	0.00	0.00
Exclude discrete tax adjustments (3)	(7.7)	-1.1%	(0.05)	(0.04)
Non-GAAP tax adjustments	(1.9)	-0.3%	(0.01)	(0.01)
Convertible share adjustment (4)	-	-	-	0.04
Net income - non-GAAP (4)	$ 172.5	24.5%	$ 1.04	$ 1.00

GAAP and non-GAAP weighted average common shares - basic	166.6
GAAP weighted average common shares - diluted	180.7
Exclude dilutive shares related to convertible note transaction	(7.3)
Non-GAAP weighted average common shares - diluted	173.4

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Appendix | GAAP to Non-GAAP Reconciliation

(1) Restructuring and other consists of:

	Quarter Ended		
	March 29, 2020	December 31, 2019	March 31, 2019
Contingent consideration fair value adjustment	$ (10.0)	$ (2.8)	$ 3.0
Acquisition related expenses and compensation	1.7	0.2	1.3
Employee severance	0.7	0.5	0.8
	$ (7.6)	$ (2.1)	$ 5.1

(2) For the quarters ended March 29, 2020, December 31, 2019, and March 31, 2019, adjustment to exclude non-cash convertible debt interest expense. For the quarter ended December 31, 2019 adjustment to exclude actuarial gains recognized under GAAP in accordance with Teradyne's mark-to-market pension accounting and adjustment to exclude RealWear $15.0 million investment impairment.

(3) For the quarters ended March 29, 2020, December 31, 2019, and March 31, 2019, adjustment to exclude discrete income tax items. For the quarter ended March 31, 2019, income tax (benefit) provision includes a $26 million tax benefit from the release of uncertain tax position reserves due to the IRS completion of its audit of Teradyne's 2015 Federal tax return.

(4) For the quarters ended March 29, 2020 and December 31, 2019, the non-GAAP diluted EPS calculation adds back $1.3 million of convertible debt interest expense to non-GAAP net income and non-GAAP weighted average diluted common shares include 5.5 million and 5.4 million shares, respectively, related to the convertible debt hedge transaction.

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Appendix | GAAP to Non-GAAP Reconciliation

- Teradyne determines non-GAAP operating cash flow ("Free Cash Flow") by adjusting GAAP cash flow from operations excluding discontinued operations, less 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, income (loss) from continuing operations or 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.
- 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.

	2014	2015	2016	2017	2018	2019	Q3'19	Q2'20	Q3'20
GAAP Cash Flow from Operations, Excl Disc Ops	$ 492	$ 413	$ 455	$ 626	$ 477	$ 579	$ 199	$ 226	$ 343
Less Property, Plant, and Equipment Additions net of Govt Subsidy	$ (169)	$ (90)	$ (85)	$ (105)	$ (107)	$ (135)	$ (37)	$ (47)	$ (63)
Non-GAAP Operating Cash Flow ("Free Cash Flow")	$ 323	$ 323	$ 370	$ 521	$ 370	$ 444	$ 162	$ 178	$ 280

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Appendix | GAAP to Non-GAAP Reconciliation

	Q3'19		Q2'20		Q3'20		Q4'20 Low Guidance		Q4'20 High Guidance	
	$'s	% of sales	$'s	% of sales	$'s	% of sales	$'s	% of sales	$'s	% of sales
GAAP Operating Expenses	$190	33%	$254	30%	$189	23%	$218	32%	$221	30%
Intangible Asset Amortization	-$10	-2%	-$9	-1%	-$6	-1%	-$6	-1%	-$6	-1%
Restructuring and Other	$7	1%	-$37	-4%	$28	3%				
Non GAAP Operating Expenses	$187	32%	$207	25%	$211	26%	$212	31%	$215	29%

	Q3'19		Q2'20		Q3'20	
	$'s	%	$'s	%	$'s	%
GAAP Income Tax	$16	10%	$28	13%	$41	16%
Exclude discrete tax adjustments	$8	5%	$1	1%	$4	2%
Tax effect of non-GAAP adjustments	$4	2%	$8	4%	-$2	-1%
Effect of Higher Non-GAAP PBT		-1%		-3%		1%
Non GAAP Income Tax	$27	17%	$38	14%	$43	17%

FY 2020 GAAP estimated tax rate	15.0%
Adjustment for Non GAAP items	0.5%
FY 2020 Non GAAP estimated tax rate	15.5%

Q3'20:

GAAP net interest and other income	-$5.9
Exclude non cash convertible debt interest	$3.6
Penstion Actuarial Loss	$2.7
Non-GAAP net interest and other income	$0.4

Q4'20 Guidance:

	Low End	High End
GAAP Operating Profit as % of Sales	27%	29%
Acquired intangible asset amortization	1%	1%
Non-GAAP Operating Profit as % of Sales	28%	30%

Q4'20 Guidance

GAAP net interest and other income	-$5.5
Exclude non cash convertible debt interest	$3.5
Non-GAAP net interest and other income	-$2.0

Q4'20 GAAP Guidance Diluted Shares	184
Exclude dilutive shares from convertible note	-9
Q4'20 Non-GAAP Guidance Diluted Shares	175

GAAP to Non-GAAP Reconciliation of Fourth Quarter 2020 guidance:

GAAP and non-GAAP fourth quarter revenue guidance:		$680 million	to		$740 million
GAAP net income per diluted share	$	0.81		$	0.96
Exclude acquired intangible assets amortization		0.03			0.03
Exclude non-cash convertible debt interest		0.02			0.02
Tax effect of non-GAAP adjustments		(0.01)			(0.01)
Convertible share adjustment		0.06			0.06
Non-GAAP net income per diluted share	$	0.90		$	1.06

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