

KLA's Consistency Led By Execution and Market Leadership

1 KLA continues to deliver strong relative outperformance versus peers, as our market leadership in some of the largest and fastest-growing markets in WFE supports our growth. As a result, KLA is positioned to be one of the fastest growing Tier 1 WFE equipment suppliers in calendar 2022. KLA's market leadership and the critical role our products and services deliver in our customers' growth strategies, as well as KLA's consistent execution to our commitments are guided by the KLA Operating Model.

Broad Adoption of KLA's Reticle Inspection Portfolio Drives Strong Patterning Systems Growth

2 KLA's Patterning systems revenue grew 49% sequentially and 67% on a year-over-year basis, driven by strong EUV mask shop inspection growth in 5nm and below applications, as well as growth in mask shop and wafer fab applications in mature node applications. KLA's reticle inspection systems business play a critical role in quality control during manufacturing of optical and EUV reticle types.

Record Quarterly Revenue for SPTS Showcases Automotive Opportunity

3 KLA delivered record quarterly revenue in our SPTS business. As we discussed at our June 2022 Investor Day, KLA is intensifying our efforts in Advanced Packaging and Automotive electronics, leveraging the combined portfolios of both the Semiconductor Process Control and EPC groups. We are broadening our product portfolio and developing a comprehensive suite of products and technologies as part of a portfolio of inspection systems and process tools designed to help Automotive customers achieve their zero-defect goals.

Services Demonstrates Strong Growth, Consistency

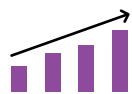
4 Services revenue was \$529 million, up 16% year-over-year. Services growth is driven by the rapidly growing installed base, increasing customer adoption of long-term service agreements, and expansion of Service opportunities in legacy nodes. KLA's Services business stands out among our peers as having nearly all our Service revenue generated from "Pure Services," or service contracts and break-fix maintenance, and does not include other revenue sources such as equipment upgrades or sales of refurbished equipment.

Another Strong Quarter of Free Cash Flow Generation; Operating Cash Flow Tops \$1 Billion

5 The September quarter was another exceptional period from a free cash flow perspective. Quarterly operating cash flow topped \$1 billion for the first time, and free cash flow grew 24% to \$927 million in the quarter. Total capital returns for the quarter were \$278 million, comprising \$90 million in share repurchases and \$188 million in dividends. For the twelve months ended September 30, 2022, free cash flow grew 37% to \$3.14 billion. For the twelve months ended Sept. 30, 2022, total capital returns were \$5.2 billion, or 166% of free cash flow. In June, KLA increased our long-term targeted capital returns to greater than 85% of free cash flow, up from 70%.

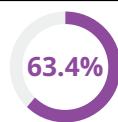
September Quarter 2022

Growth

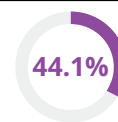


\$2,724M +31% Y/Y
Revenue

Profitability



Gross Margin¹
63.4%



Op. Margin¹
44.1%

\$7.06
Non-GAAP diluted EPS
\$7.20
GAAP diluted EPS

Free Cash Flow & Capital Returns

\$927M
September Qtr FCF

\$188M
September Qtr
Dividends Paid

\$90M
September Qtr
Share Buyback²



\$3.14B
LTM FCF

\$664M
LTM
Dividends Paid

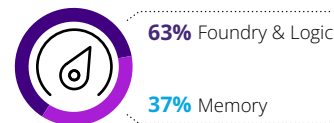
\$4,558M
LTM
Share Buyback²

Breakdown of Revenue

Reportable Segment and End Markets (Systems and Services)³

	Q1-FY23	Y/Y Growth	Q/Q Growth	Rev. Mix
Semiconductor Process Control	\$2,398M	↑ 35%	↑ 13%	88%
Specialty Semiconductor Process	\$128M	↑ 25%	↑ 3%	5%
PCB, Display & Component Inspection	\$201M	↓ -1%	↓ -19%	7%

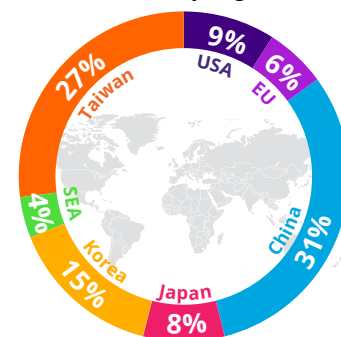
Q1-FY23: Semi Process Control End Market System Revenue



Breakdown of Revenue by Major Products

	Q1-FY23	Y/Y Growth	Q/Q Growth	Rev. Mix
Wafer Inspection	\$1,103M	↑ 24%	↑ 0%	41%
Patterning	\$733M	↑ 67%	↑ 49%	27%
Specialty Semi Process	\$114M	↑ 23%	↑ 3%	4%
PCB, Display & Component Inspection	\$134M	↓ -2%	↓ -25%	5%
Services	\$529M	↑ 16%	↑ 3%	19%
Other*	\$111M	↑ 54%	↑ 23%	4%

Revenue by Region



* Included in Semiconductor Process Control Segment

¹ Non-GAAP

² Includes \$900 million Forward Contract for Accelerated Share Repurchases

³ Amounts exclude corporate allocations and effects of changes in currency exchange rates