

**1 KLA's Consistency Led By Execution and Market Leadership**

KLA's market leadership in some of the most critical and fastest growing areas of WFE continues to fuel our growth, and we continue to execute at a high level to meet customer requirements and deliver on our financial targets.

**2 Growth and Market Leadership in Critical Wafer and Reticle Infrastructure Fueling Relative Strength**

KLA is benefitting from demand drivers in markets including silicon wafer and photomask manufacturing, which are benefitting from capacity expansion required to meet long-term semiconductor demand as well as strong growth in infrastructure investment in China. As an example, revenues from KLA's unpatterned wafer inspection products are expected to significantly outperform the overall WFE market, delivering strong growth in 2023 in a cyclical down year for the industry.

**3 Service Revenue Growth Demonstrates Resiliency Despite Declining Near-Term WFE Demand**

Service revenue was \$539 million, up 5% year-over-year and 2% sequentially. Services is driven by our growing installed base, increasing customer adoption of long-term service agreements, and expansion of Service opportunities in the legacy nodes. KLA's Services business is unique in our industry for 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. This speaks to the durability and resiliency of Service revenue.

**4 KLA Continued to Deliver Strong Free Cash Flow Generation and Capital Returns**

Quarterly free cash flow was \$880 million, which drove year-over-year LTM free cash flow growth up 11% to \$3.3 billion. Returning capital to shareholders through both our quarterly dividend and stock repurchase program remains a top priority. Total capital returns over the past 12 months was \$2.04 billion. Quarterly dividends and share repurchases in the June quarter were \$568.3 million, comprised of \$388.8 million in share repurchases and \$179.5 million in dividends.

## June Quarter 2023

## Growth



**\$2,355M**  
Revenue

**-5% Y/Y**

## Profitability



Gross Margin<sup>1</sup>



Op. Margin<sup>1</sup>

**\$5.40**  
Diluted EPS<sup>1</sup>

**\$4.97**  
GAAP diluted EPS

## Free Cash Flow &amp; Capital Returns

**\$880M**  
June Qtr FCF<sup>1</sup>

**\$179.5M**  
June Qtr  
Dividends Paid

**\$388.8M**  
June Qtr  
Share Buyback



**\$3.3B**  
LTM FCF

**\$733M**  
LTM  
Dividends Paid

**\$1,312M**  
LTM  
Share Buyback

## Breakdown of Revenue

## Reportable Segment and End Markets (Systems and Services)

	Q4-FY23	Y/Y Growth	Q/Q Growth	Rev. Mix
Semiconductor Process Control	<b>\$2,097M</b>	↓ -1%	↓ -3%	88%
Specialty Semiconductor Process	<b>\$129M</b>	↑ +4%	0%	6%
PCB, Display & Component Inspection	<b>\$129M</b>	↓ -48%	↓ -2%	6%

Semi Process Control  
End Market System Revenue

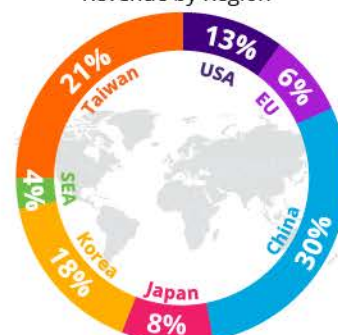
70% Foundry & Logic

30% Memory

## Systems Only Revenue

	Q4-FY23	Y/Y Growth	Q/Q Growth	Rev. Mix
Wafer Inspection	<b>\$950M</b>	↓ -14%	↓ -7%	40%
Patterning	<b>\$585M</b>	↑ +19%	↓ -4%	25%
Specialty Semi Process	<b>\$117M</b>	↑ +6%	↑ +2%	5%
PCB, Display & Component Inspection	<b>\$65M</b>	↓ -64%	↓ -6%	3%
Services	<b>\$539M</b>	↑ +5%	↑ +2%	23%
Other*	<b>\$99M</b>	↑ +10%	↑ +23%	4%

## Revenue by Region



\* Included in Semiconductor Process Control Segment  
1 Non-GAAP