

# Financial Results for Q4 2025 and Full Year 2025

February 3, 2026

# Safe Harbor

This presentation contains forward-looking statements including statements regarding Teradyne's future business prospects, financial performance or position and results of operations. You can identify forward-looking statements by their use of forward-looking words such as "anticipate," "expect," "plan," "could," "may," "will," "believe," "estimate," "goal" or other comparable terms. Forward-looking statements in this presentation address various matters, including statements regarding Teradyne's financial guidance, future business prospects, results of operations, market size and conditions, earnings per share, mid-term earnings model, sales mix, customer product development, customer demand and sales expectations, the payment of a quarterly dividend, and the repurchase of Teradyne common stock pursuant to a share repurchase program. Investors are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements due to known and unknown risks, uncertainties, assumptions, and other factors. Such factors include, but are not limited to, macroeconomic factors and slowdowns or downturns in economic conditions generally and in the markets in which Teradyne operates; decreased or delayed product demand from one or more significant customers; a slowdown or inability in the development, delivery and acceptance of new products; the ability to grow the Robotics business; the impact of increased research and development spending; the impact of epidemics or pandemics such as COVID-19; the impact of a supply shortage on our supply chain and contract manufacturers; the consummation and success of any mergers or acquisitions; unexpected cash needs; the business judgment of the board of directors that a declaration of a dividend or the repurchase of common stock is not in Teradyne's best interests; changes to U.S. or global tax regulations or guidance; the impact of any tariffs or export controls imposed by the U.S. or other countries; the impact of U.S. Department of Commerce or other government agency regulations relating to Huawei, HiSilicon and other customers or potential customers; the impact of U.S. Department of Commerce export control regulations for certain U.S. products and technology sold to military end users or for military end-use in China; the impact of the Israel-Hamas conflict; the impact of regulations published by the U.S. Department of Commerce relating to semiconductors and semiconductor manufacturing equipment destined for certain end uses in China; and the impact of trade regulations and restrictions that impact our ability to deliver certain products to and support certain customers. The risks included above are not exhaustive. For a more detailed description of the risk factors associated with Teradyne, please refer to Teradyne's Annual Report on Form 10-K for the fiscal year ended December 31, 2024. Many of these factors are macroeconomic in nature and are, therefore, beyond Teradyne's control. We caution readers not to place undue reliance on any forward-looking statements included in this presentation which speak only as of the date of this presentation. Teradyne specifically disclaims any obligation to update any forward-looking information contained in this presentation or with respect to the announcements described herein.

# Business Update and Outlook

Greg Smith, President and CEO

# Delivered Strong Q4'25 Results

## Revenue

41% sequential and  
44% YoY growth,  
above high guidance

## EPS

Over 100% growth  
sequentially and  
89% YoY, above high  
guidance

## Group Performance

Double digit sequential  
growth across  
Semiconductor Test,  
Product Test, and  
Robotics

# Trends Driving Growth

## Revenue Driven by AI<sup>(1)</sup>



### AI Revenue Drivers

- Networking
- XPU / CPU
- SiPho
- System Level Test
- Compute
- Board Test
- Robotics



Artificial Intelligence

# Full Year 2025 Recap

## Semiconductor Test

- Grew revenue 19% YoY (SOC up 23%, Memory up slightly, and IST up over 50%)

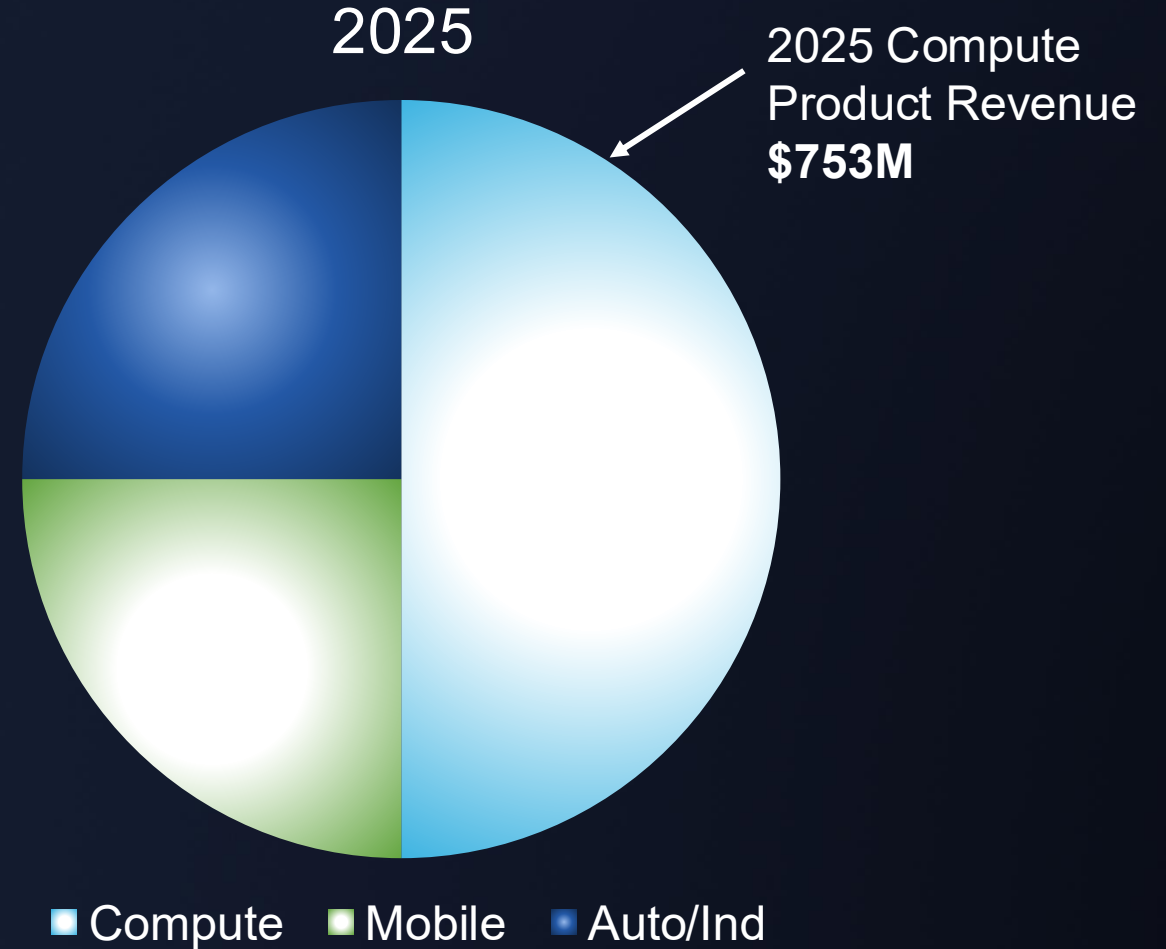
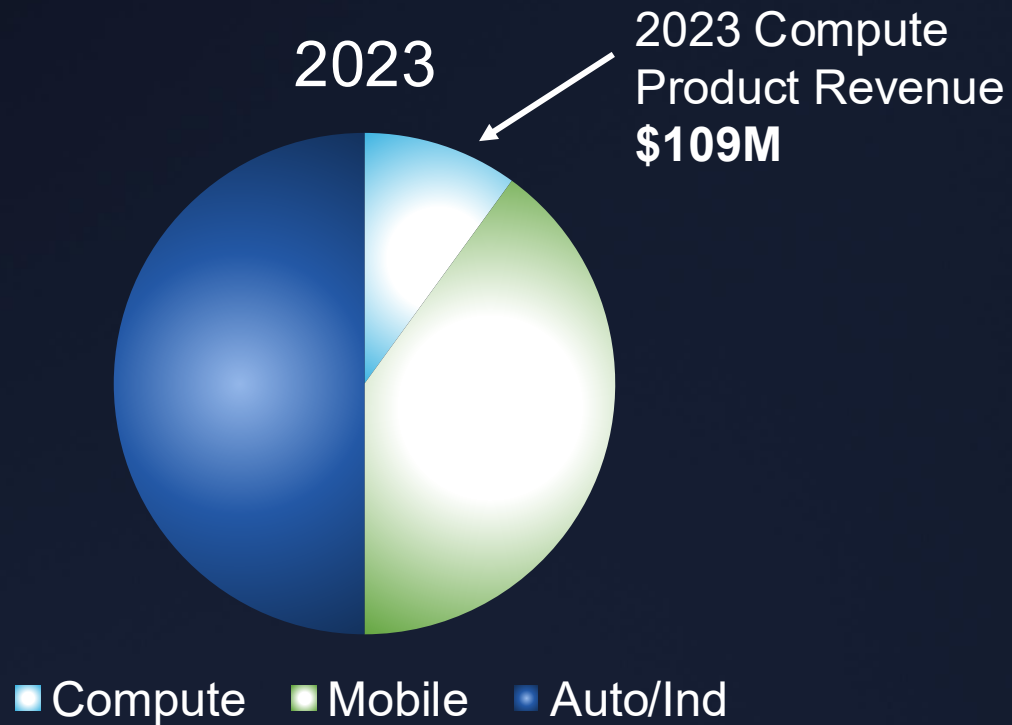
## Product Test

- Grew revenue 8% YoY driven by Defense and Aerospace

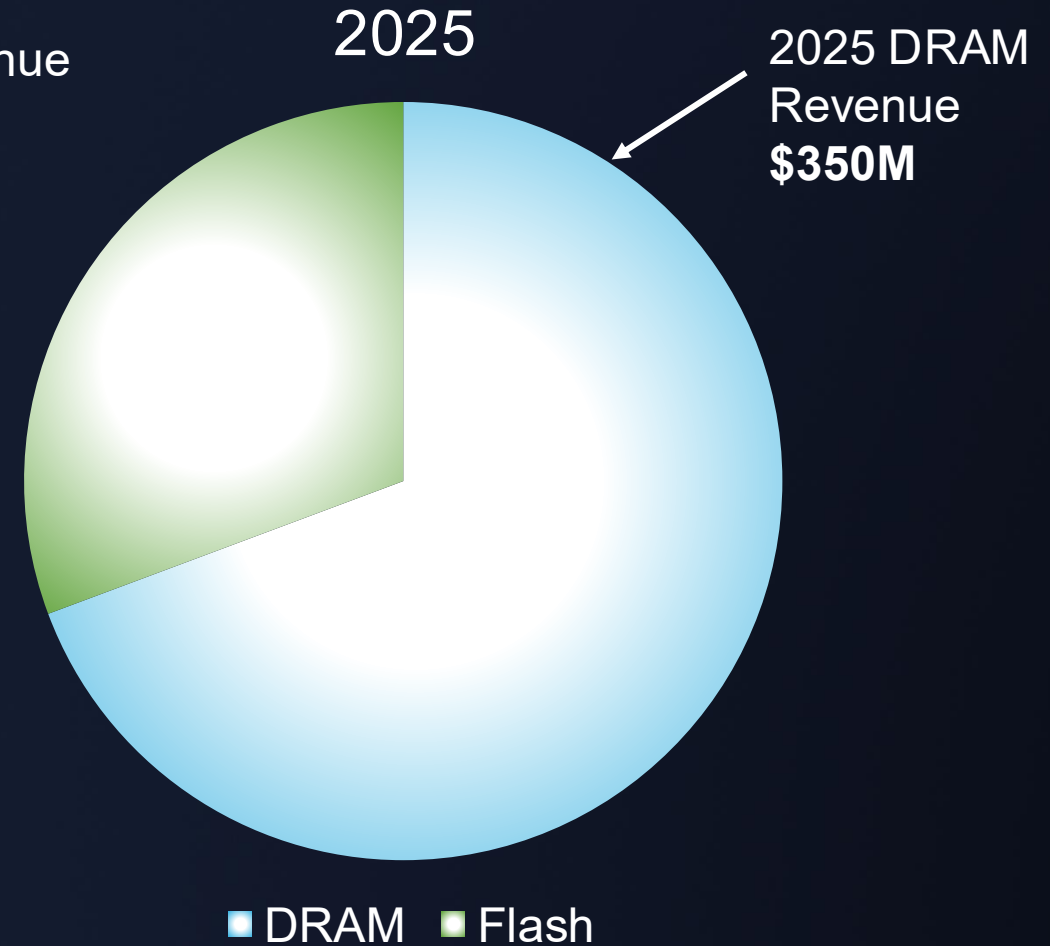
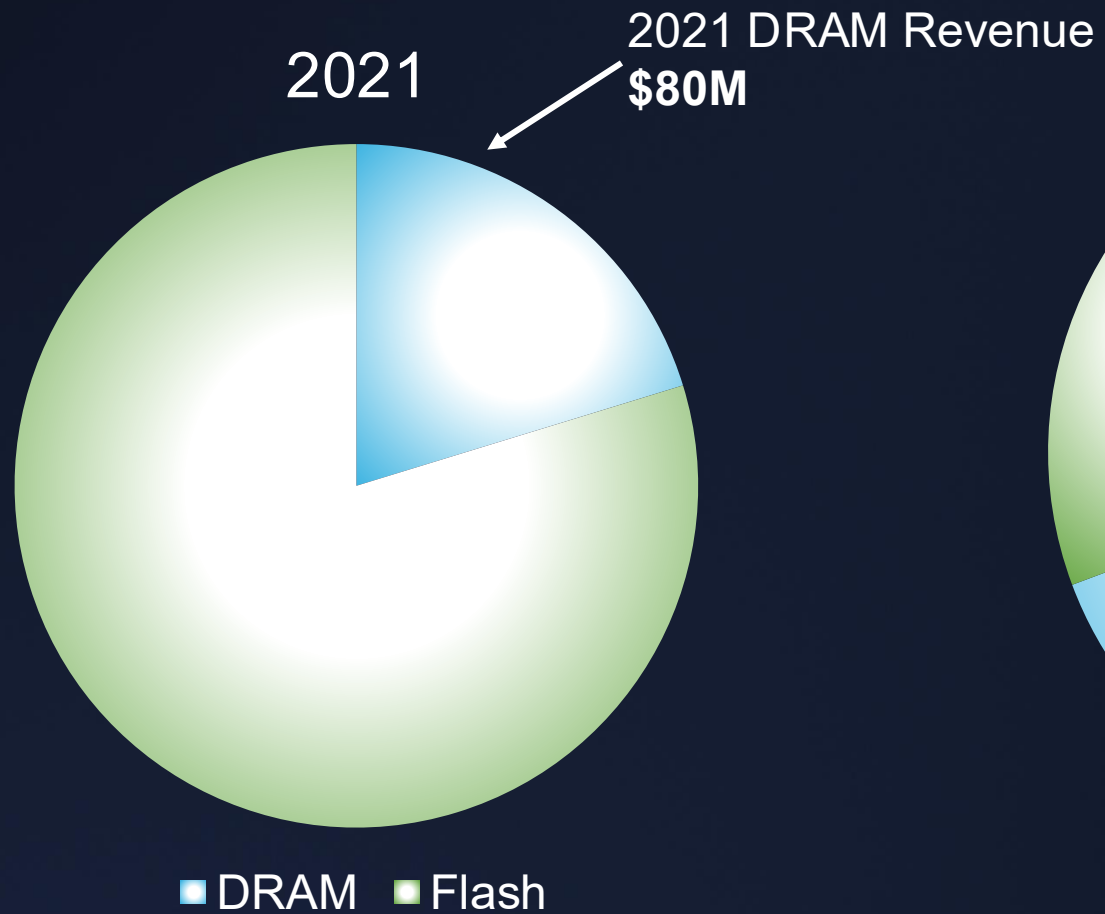
## Robotics

- Three consecutive quarters of growth
- Opportunities in Physical AI and advanced robotics

# SoC Product Revenue Shift

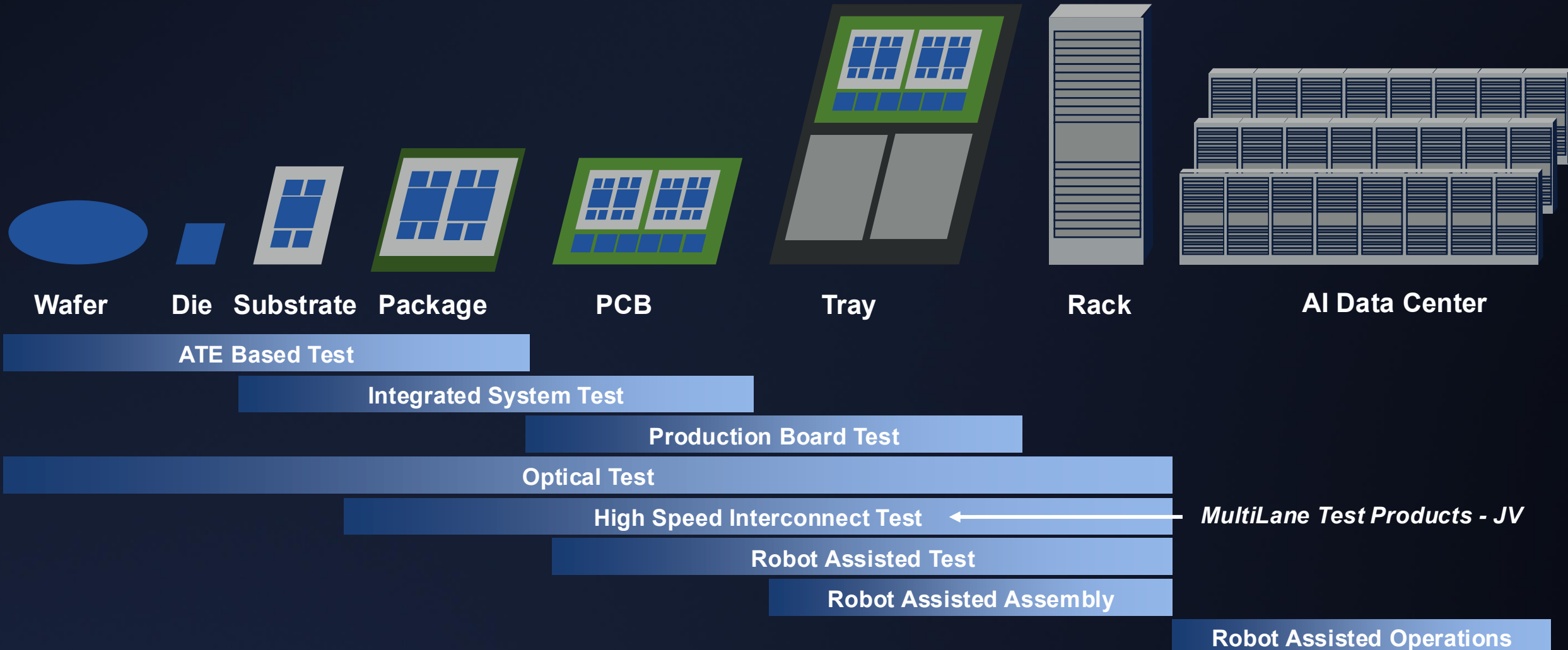


# Memory Revenue Shift



# Teradyne Enables Scaling the AI Data Center

Partnering with verticalized customers to maximize yield and quality at each stage of the process



# Fourth Quarter and Full Year 2025 Financial Results, First Quarter 2026 Guidance and New Target Earnings Model

Michelle Turner, Vice President and Chief Financial Officer

# Q4'25 Non-GAAP Results

\$ in millions, except EPS	Q4'24 Actual <sup>(1)</sup>		Q3'25 Actual <sup>(1)</sup>		Q4'25 Actual <sup>(1)</sup>	
Sales <sup>(2)</sup>	100%	<b>\$753M</b>	100%	<b>\$769M</b>	100%	<b>\$1,083M</b>
<i>Semiconductor Test</i>	75%	<b>\$561M</b>	79%	<b>\$606M</b>	82%	<b>\$883M</b>
<i>Product Test</i>	12%	<b>\$94M</b>	11%	<b>\$88M</b>	10%	<b>\$110M</b>
<i>Robotics</i>	13%	<b>\$98M</b>	10%	<b>\$75M</b>	8%	<b>\$89M</b>
Gross Margin	59.4%	<b>\$447M</b>	58.5%	<b>\$450M</b>	57.2%	<b>\$620M</b>
R&D	17.1%	<b>\$128M</b>	16.2%	<b>\$125M</b>	13.2%	<b>\$143M</b>
SG&A	20.7%	<b>\$156M</b>	21.8%	<b>\$168M</b>	15.0%	<b>\$163M</b>
OPEX	37.8%	<b>\$284M</b>	38.1%	<b>\$293M</b>	28.2%	<b>\$306M</b>
Operating Profit	21.7%	<b>\$163M</b>	20.4%	<b>\$157M</b>	29.0%	<b>\$314M</b>
Income Taxes <i>(&amp; effective tax rate)</i>	7.6%	<b>\$13M</b>	16.0%	<b>\$26M</b>	10.6%	<b>\$33M</b>
EPS		<b>\$0.95</b>		<b>\$0.85</b>		<b>\$1.80</b>
Diluted Shares		<b>163M</b>		<b>159M</b>		<b>158M</b>

(1) See GAAP to non-GAAP reconciliations contained on the Teradyne website at [www.teradyne.com](http://www.teradyne.com) by clicking on "Investors" and then selecting the "GAAP to Non-GAAP Reconciliation" link

(2) Product vs Service Revenue Detail:  
 Q4'25: Total Company - Product \$943M / Service \$140M; SemiTest – Product \$781M / Service \$102M  
 Q3'25: Total Company - Product \$632M / Service \$137M; SemiTest – Product \$505M / Service \$101M  
 Q4'24: Total Company - Product \$627M / Service \$126M; SemiTest – Product \$466M / Service \$95M

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# Balance Sheet & Capital Allocation

\$ in millions		Q4'24 Actual	Q3'25 Actual	Q4'25 Actual
Cash and Marketable Securities		\$724M	\$427M	\$448M
Inventory		\$298M	\$367M	\$380M
DSO		58 days	70 days	67 days
Capital Additions		\$57M	\$47M	\$63M
Depreciation and Amortization <sup>(1)</sup>		\$46M	\$46M	\$52M
Free Cash Flow <sup>(2)</sup>		\$225M	\$2M	\$219M
Capital Return	Buybacks <sup>(3)</sup>	\$144M	\$246M	\$185M
	Dividends	\$19M	\$19M	\$19M

(1) Includes depreciation, stock-based compensation, amortization of acquired intangible assets

(2) Teradyne calculates free cash flow as: GAAP Cash flow from operations, excluding discontinued operations, less property, plant and equipment additions; see GAAP to non-GAAP reconciliations contained on the Teradyne website at [www.teradyne.com](http://www.teradyne.com) by clicking on "Investors" and then selecting the "GAAP to Non-GAAP Reconciliation" link.

(3) Inclusive of excise taxes, as applicable

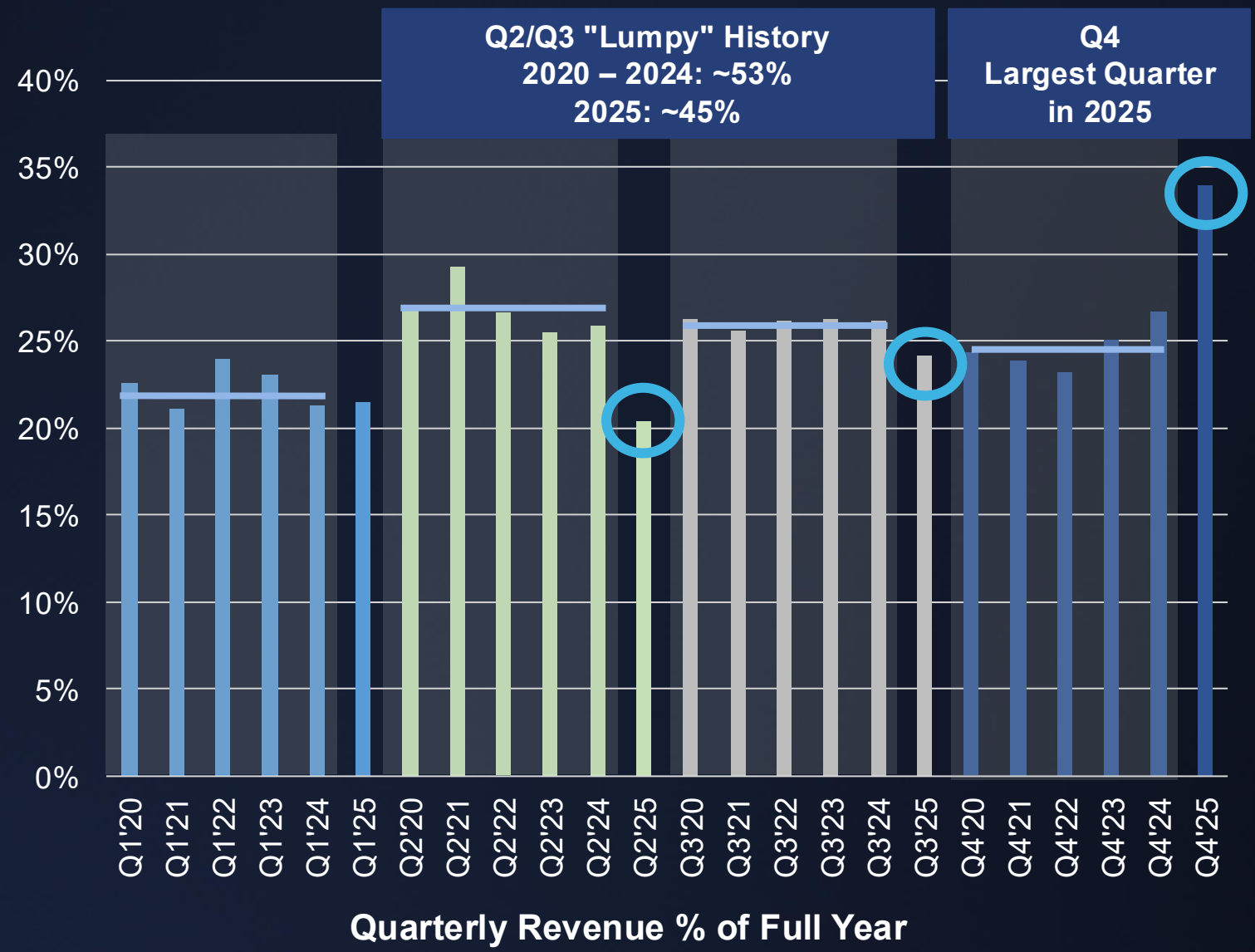
# Annual Non-GAAP Results

\$ in millions, except EPS	2024 Actual <sup>(1)</sup>		2025 Actual <sup>(1)</sup>	
Sales <sup>(2)</sup>	100%	<b>\$2,820M</b>	100%	<b>\$3,190M</b>
<i>Semiconductor Test</i>	75%	<b>\$2,124M</b>	79%	<b>\$2,524M</b>
<i>Product Test</i>	12%	<b>\$331M</b>	11%	<b>\$358M</b>
<i>Robotics</i>	13%	<b>\$365M</b>	10%	<b>\$308M</b>
Gross Margin	58.6%	<b>\$1,653M</b>	58.3%	<b>\$1,859M</b>
R&D	16.3%	<b>\$461M</b>	15.8%	<b>\$505M</b>
SG&A	21.8%	<b>\$615M</b>	20.2%	<b>\$644M</b>
OPEX	38.2%	<b>\$1,076M</b>	36.0%	<b>\$1,149M</b>
Operating Profit	20.4%	<b>\$576M</b>	22.3%	<b>\$710M</b>
Income Taxes (& effective tax rate)	12.6%	<b>\$75M</b>	12.8%	<b>\$91M</b>
EPS		<b>\$3.22</b>		<b>\$3.96</b>
Diluted Shares		<b>163M</b>		<b>160M</b>

# Q1'26 Non-GAAP Guidance

\$ in millions, except EPS	Q4'25 Actual <sup>(1)</sup>	Q1'26 Guidance <sup>(1)</sup>
Sales	\$1,083M	\$1,150M - \$1,250M
Gross Margin	57.2%	58.5% - 59.5%
OPEX	28.2%	28.0% - 26.0%
Operating Profit	29.0%	30.5% - 33.5%
Income Taxes (& effective tax rate)	10.6%	15.5%
EPS	\$1.80	\$1.89 - \$2.25
Diluted Shares	158M	158M

# 2025 – A Year that Broke the Pattern

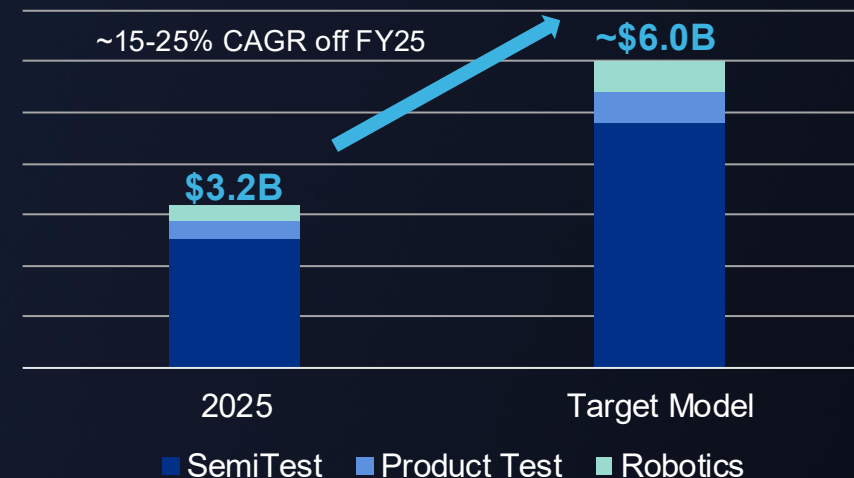


# Teradyne Non-GAAP Target Earnings Model

## Target Earnings Model<sup>(1)</sup>

	2025	Target Model
ATE TAM	~\$9.0B	\$12-14B
TER Revenue	\$3.2B	~\$6.0B
Gross Margin %	58.3%	~59% - 61%
OPEX %	36.0%	~29% - 27%
Operating Profit	22.3%	~30% - 34%
Non-GAAP EPS	\$3.96	~\$9.50 - \$11.00

## Segment Revenue



## Growth Drivers

**SemiTest:** AI – Compute and Memory growth, recovery in Mobility and Auto/Ind markets, IST growth tied to System Level Test and Hard Disk Drive

**Product Test:** Compute, Optical Transceiver and Photonics market growth with demand pull from high-speed internet and data centers

**Robotics:** Physical AI expanding addressable market and reducing implementation complexity. Realign to Ecommerce, Logistics, Semi and Electronics verticals.

## Market Dynamics

**SemiTest:** AI advancements lead to more test complexity and longer test times, and new power architectures for data centers

**Product Test:** rapid growth of AI accelerated computing including photonics and high-performance interconnect

**Robotics:** Higher growth driven by skilled labor shortages, reshoring and rapid build-out of data center equipment

# The Big Picture: Earnings Recap

## Q4'25

- 41% sequential revenue growth
- All groups delivered double digit sequential growth
- Largest revenue quarter in 2025, second largest ever
- Over 60% AI-driven revenue

## Full Year 2025

- 13% YoY revenue growth
- 23% Non-GAAP EPS growth
- Semiconductor Test increased to ~80% of portfolio
- Compute product revenue grew ~90% YoY
- A year that broke the historical quarterly sales pattern

## Q1'26 Outlook<sup>(1)</sup>

- Revenue of \$1.2B, will be a new quarterly high revenue, up 11% sequentially and 75% YoY
- Non-GAAP EPS \$2.07 and up 176% YoY
- Compute portfolio growth will continue to drive lumpy and unpredictable revenue patterns
- 2026 sales expected to be the inverse profile of 2025 sales
- Over 70% AI-driven revenue

## The \$6B Model

- Assumes ATE TAM of ~\$12B - \$14B
- ~\$6B revenue and ~\$9.50-\$11.00 Non-GAAP EPS
- Driven by all things AI

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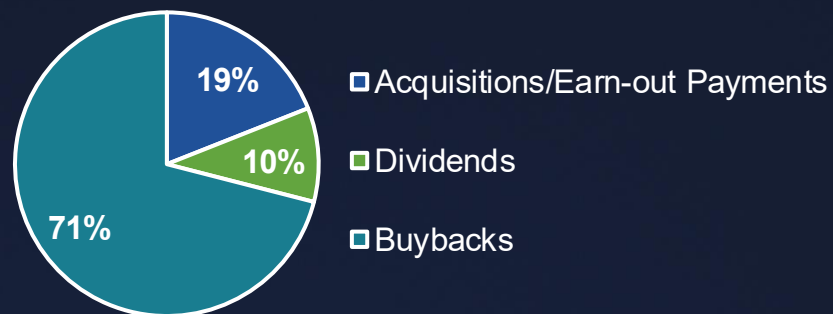
# Supplemental Information

# History of Capital Allocation

Since 2015, 86M shares repurchased at an average price of ~\$55 per share

\$ in millions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Cumulative
Buybacks <sup>(1)</sup>	\$300	\$146	\$200	\$823	\$500	\$88	\$600	\$752	\$401	\$199	\$709	\$4,718
Dividends	\$51	\$49	\$55	\$67	\$61	\$66	\$66	\$70	\$68	\$76	\$76	\$706
Acquisitions/ Investments <sup>(2)</sup>	\$283	\$15	\$1	\$194	\$115	\$9	\$12	-	-	\$442	\$170	\$1,241
<b>Total</b>	<b>\$633</b>	<b>\$210</b>	<b>\$257</b>	<b>\$1,085</b>	<b>\$676</b>	<b>\$163</b>	<b>\$678</b>	<b>\$822</b>	<b>\$468</b>	<b>\$717</b>	<b>\$955</b>	<b>\$6,665</b>
Free Cash Flow <sup>(3)</sup>	\$323	\$370	\$521	\$370	\$444	\$684	\$966	\$415	\$426	\$474	\$450	\$5,444
% of FCF Returned <sup>(4)</sup>	109%	53%	49%	240%	126%	23%	69%	198%	110%	58%	174%	100%

## Cumulative Capital Allocation Breakdown 2015 – 2025



- (1) Inclusive of excise taxes, as applicable
- (2) Net acquisitions includes acquisitions, minority investments and divestitures
- (3) Teradyne calculates free cash flow as: GAAP Cash flow from operations, excluding discontinued operations, less property, plant and equipment additions net of gov't subsidies; see GAAP to non-GAAP reconciliations contained on the Teradyne website at [www.teradyne.com](http://www.teradyne.com) by clicking on "Investors" and then selecting the "GAAP to Non-GAAP Reconciliation" link.
- (4) Teradyne calculates % of FCF returned as Buybacks plus Dividends divided by Free Cash Flow

# 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 on the Teradyne website at [www.teradyne.com](http://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.

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