



# Safe Harbor Warning

During the course of this presentation, we will make projections or other forward-looking statements regarding the future financial performance of the company or future events, including our strategic goals, operating leverage, revenue from our largest customer, market growth and trends, growth plans, marketing strategy, non-GAAP operating margin for Q1 2016, and effect of foreign exchange impact on Q1 2016. We wish to caution you that such statements are just predictions and that actual events or results may differ materially. We refer you to the documents the company files regularly with the Securities and Exchange Commission, specifically the company's most recent Form 10-K and our Form 10-Q filed on October 30, 2015. These documents contain and identify important factors that could cause our actual results to differ materially from those contained in our projections or forward-looking statements.

## Non-GAAP Information

In this presentation, we have included certain non-GAAP financial results with respect to some or all of the following items: revenue, gross margin, research and development and other operating expenses and operating income. Our non-GAAP results exclude, as applicable, the impact of stock-based compensation, amortization of acquisition-related intangibles, acquisition accounting for deferred revenue, acquisition-related adjustments, acquisition-related transaction costs, restructuring charges, foreign exchange loss on acquisitions, and impairment of minority cost basis investments. In each of our quarterly earnings press releases since March 31, 2006, we have included a reconciliation of our GAAP results to our non-GAAP results for the applicable periods and such press releases are available on our website at [investor.ni.com](http://investor.ni.com). For periods prior to March 31, 2005, our non-GAAP results are the same as our GAAP results. We also include information in this presentation about our year-over year (YOY) GAAP revenue growth excluding the effect of our current largest customer and the impact of foreign currency exchange (i.e., "core revenue" growth). We have included a reconciliation of such YOY core revenue growth to our GAAP YOY revenue growth on our website at [ni.com/nati](http://ni.com/nati) and in the appendix of this presentation.

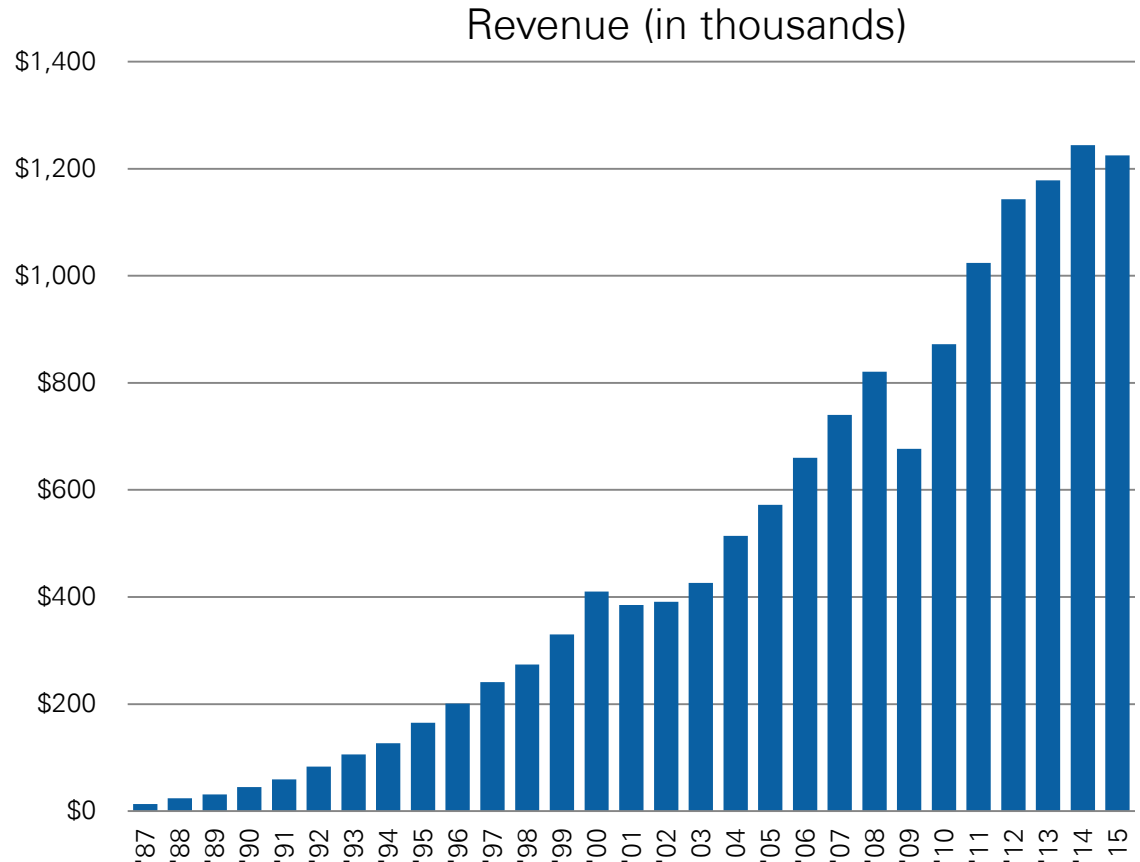
# Long-Term Track Record of Growth

**Revenue:** \$1.23 billion in 2015

**Global Operations:** Approximately 7,300 employees; operations in almost 50 countries

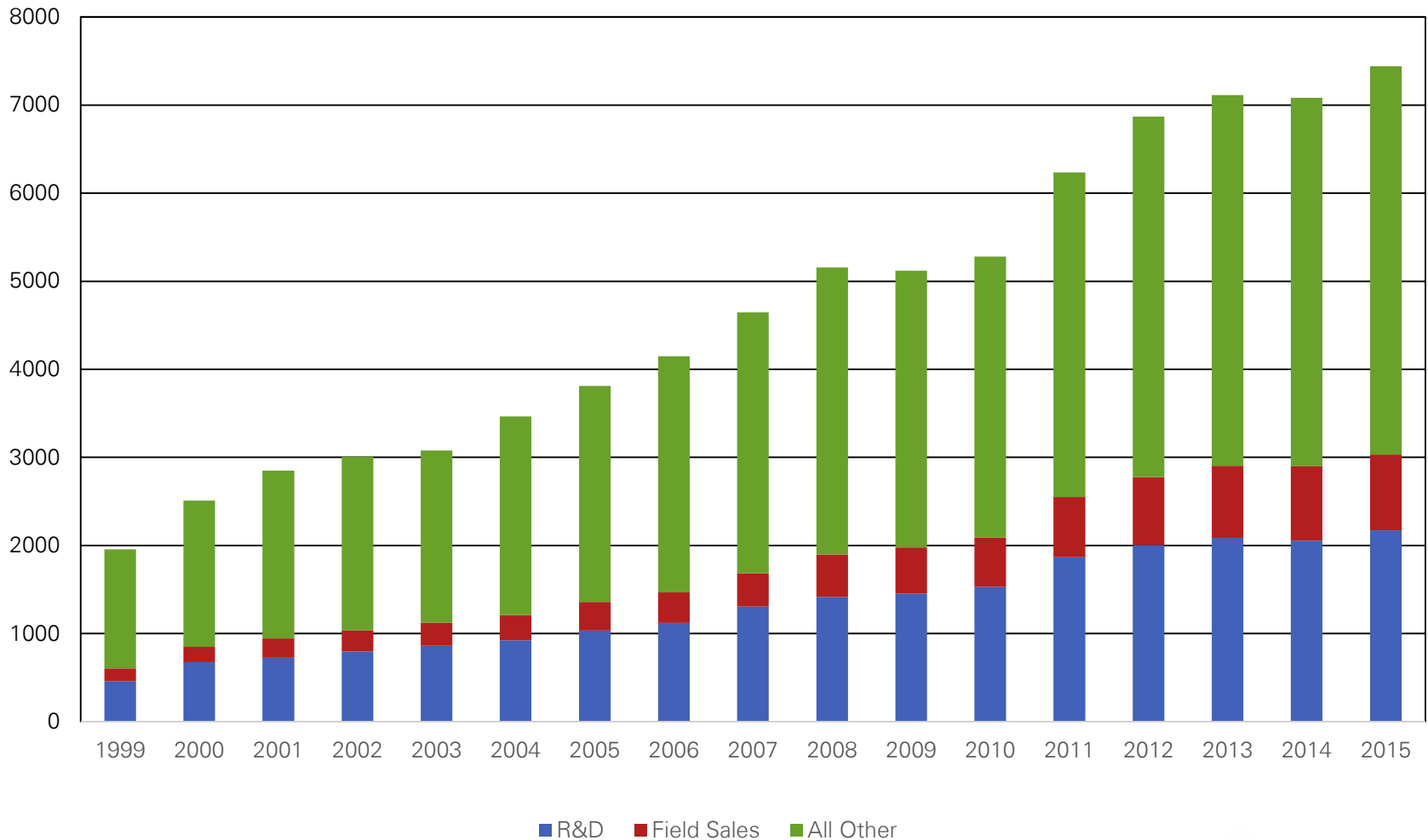
**Broad customer base:** More than 35,000 companies served annually

**Diversity:** No industry >15% of revenue

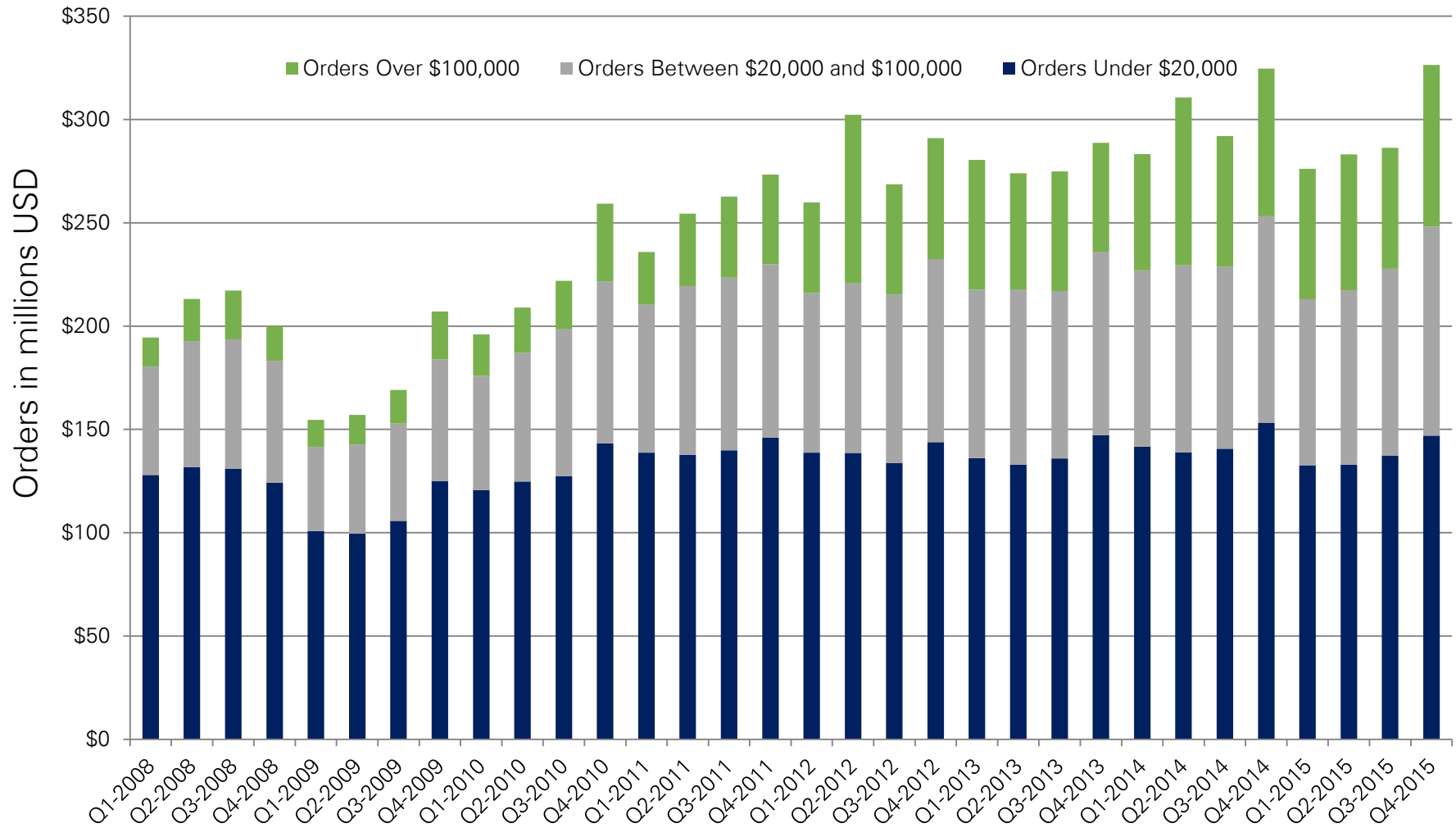


# Leveraging Our Investments

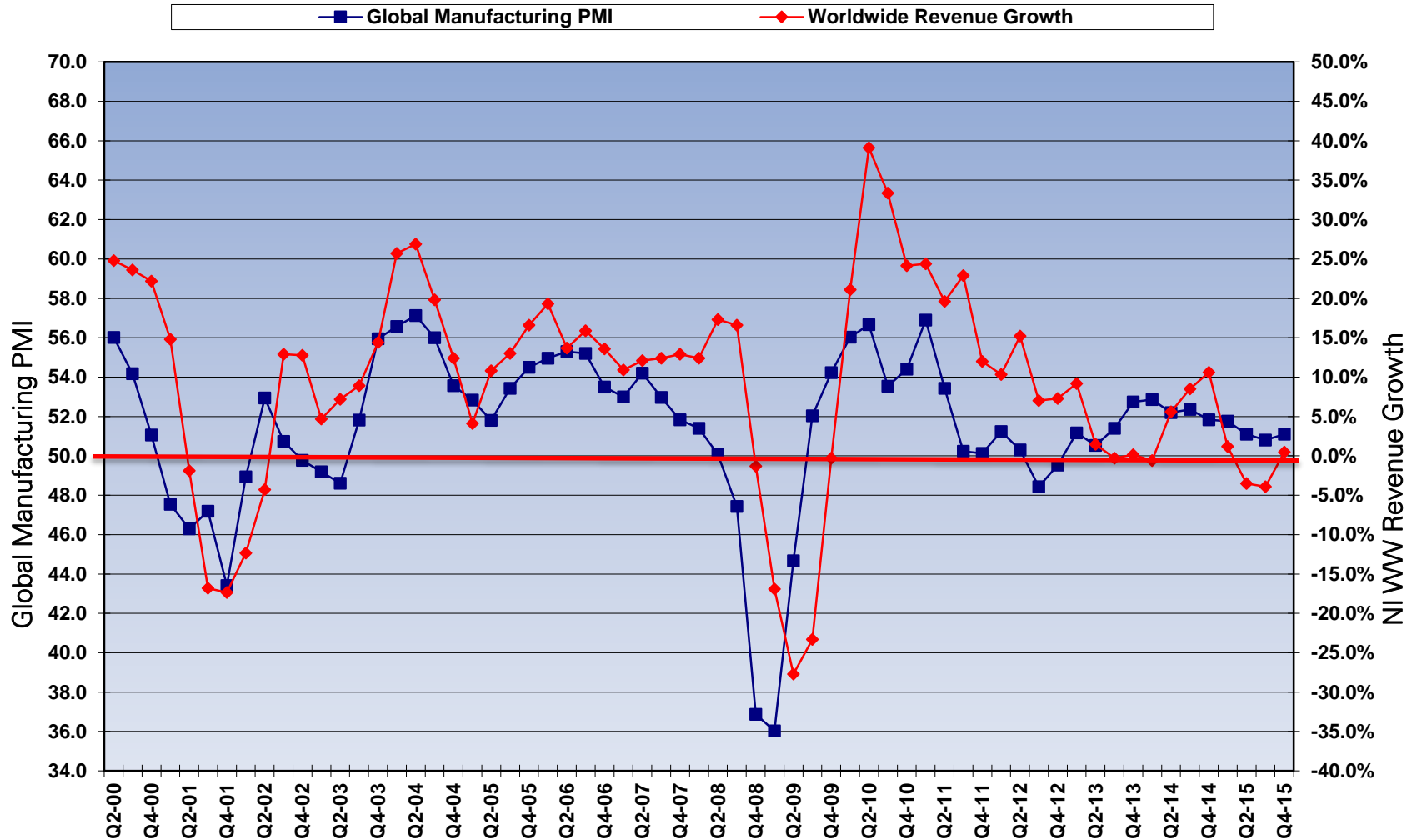
## Worldwide Headcount



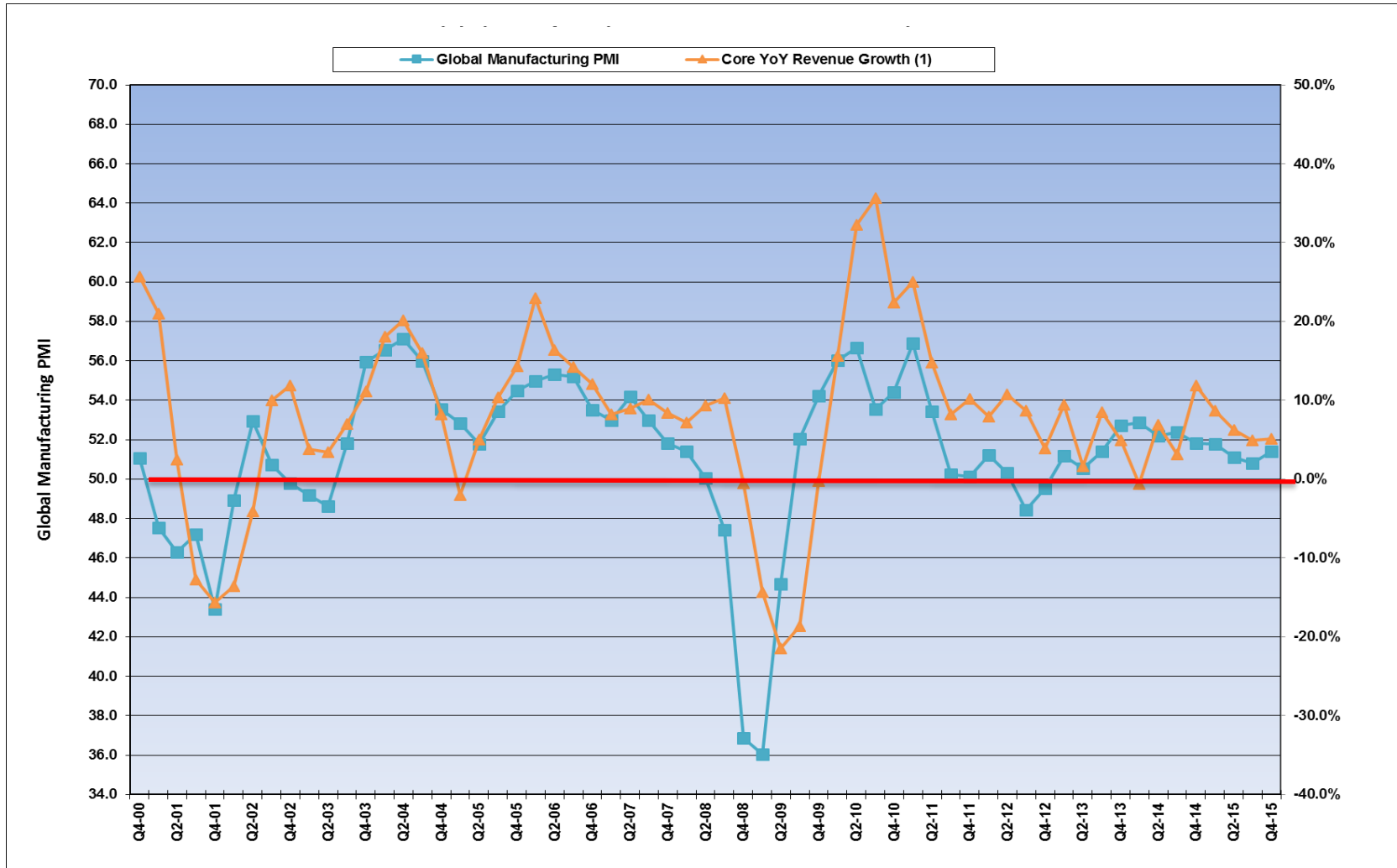
# Worldwide Order Mix



# Global Manufacturing PMI vs WW Revenue Growth

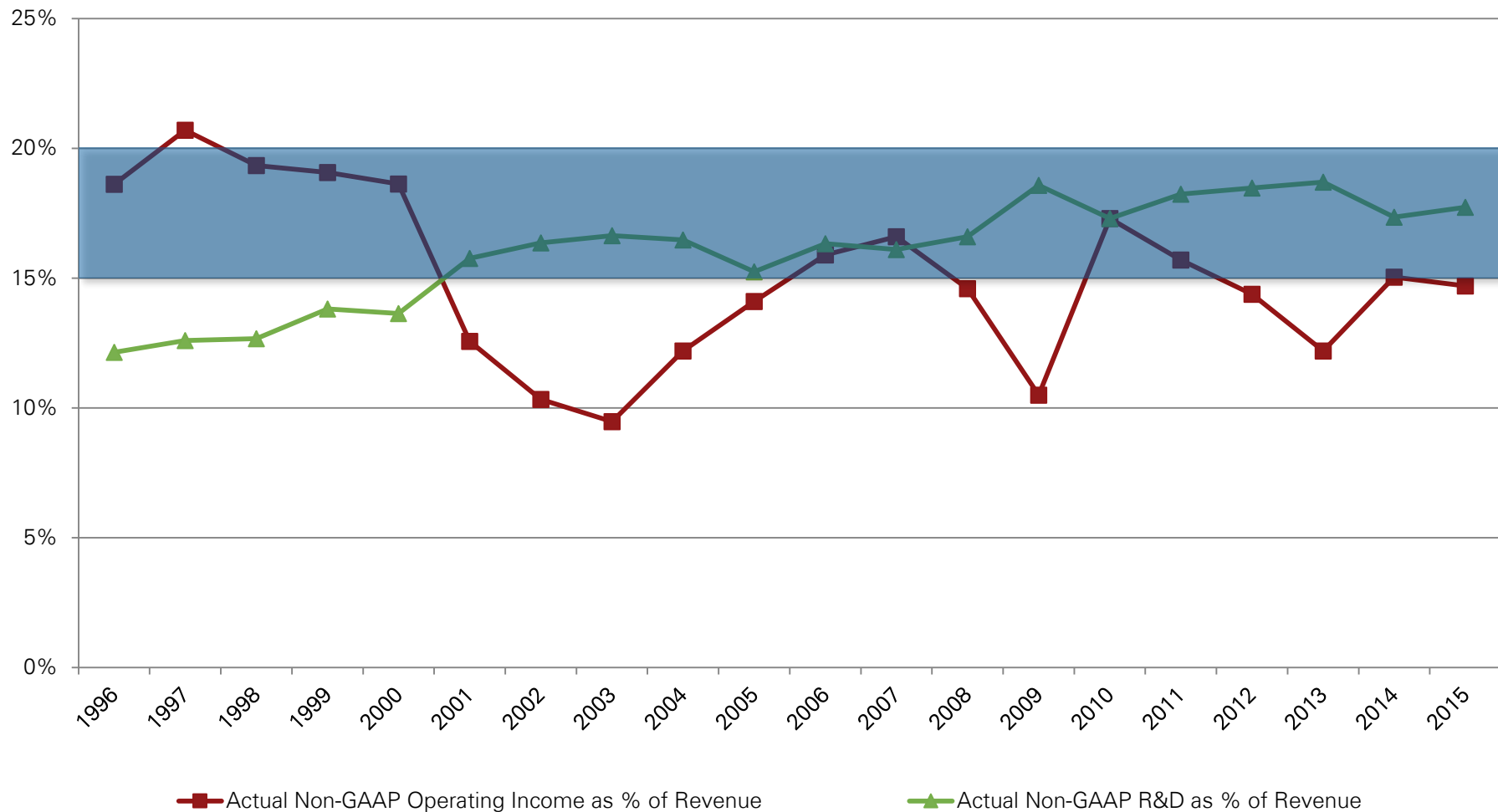


# Global Manufacturing PMI vs WW Core Revenue Growth\*



\*Core Revenue Growth excludes the effect of our current largest customer and the impact of foreign currency exchange, see reconciliation of core revenue to GAAP revenue in appendix and at [ni.com/investors](http://ni.com/investors)

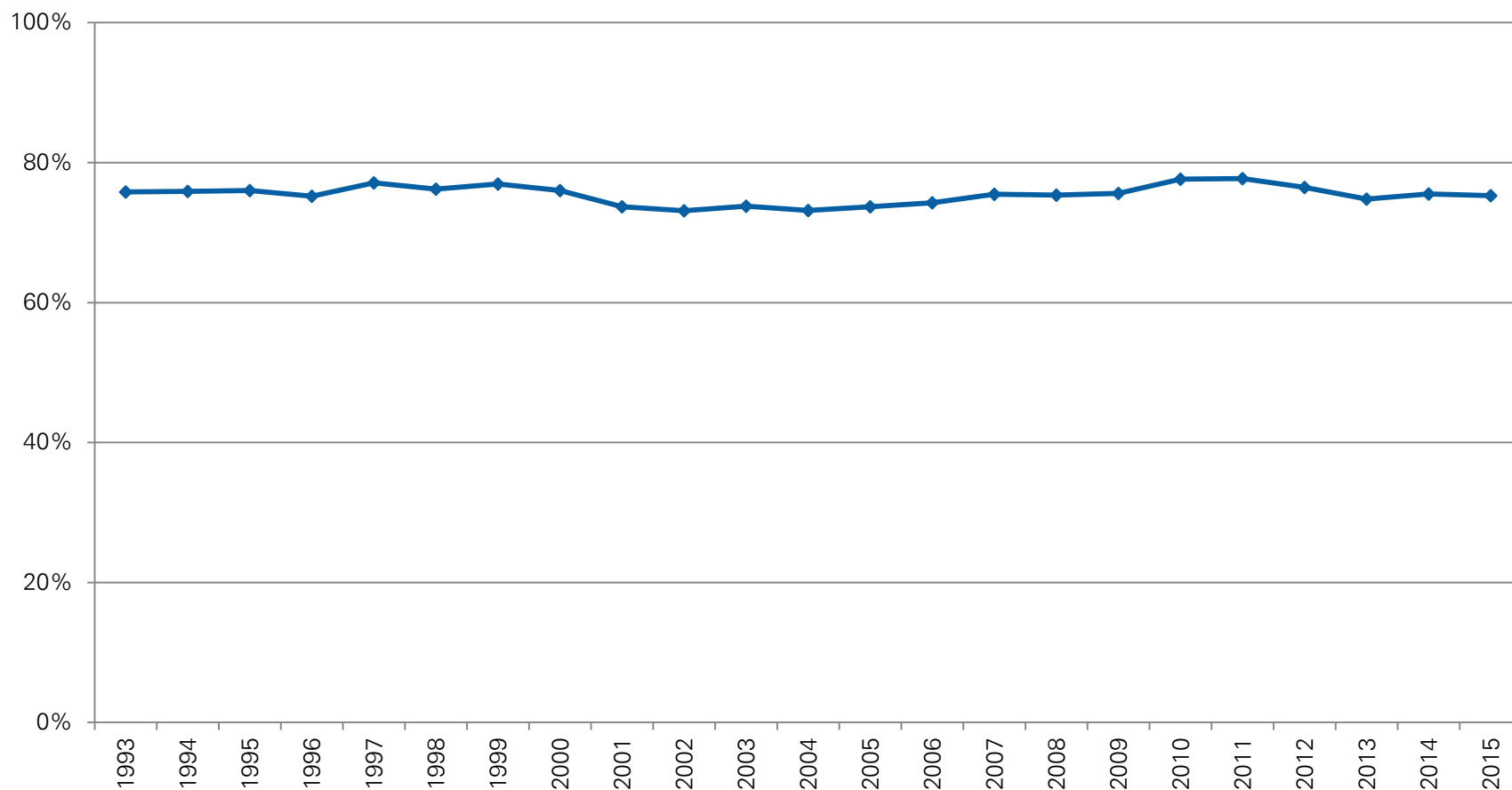
# Optimizing Our Operating Model



A reconciliation of Non-GAAP operating income to GAAP operating income and Non-GAAP R&D to GAAP R&D results is available at [investor.ni.com](http://investor.ni.com)



# Preserving our Non-GAAP\* Gross Margins



\*A reconciliation of GAAP gross margin to non-GAAP gross margin results is available at [investor.ni.com](http://investor.ni.com)

# Deployment of Cash (in USD \$millions)

|                  | <b>YTD 2015</b> | <b>5 Years</b> | <b>10 Years</b> |
|------------------|-----------------|----------------|-----------------|
| Dividend         | \$ 98           | \$ 360         | \$ 519          |
| Share repurchase | \$ 75           | \$ 75          | \$ 352          |
| Acquisitions     | \$ 126          | \$ 225         | \$ 246          |
| <b>Total</b>     | <b>\$ 299</b>   | <b>\$ 660</b>  | <b>\$ 1,117</b> |

5 Years: 2011 to 2015  
10 Years: 2006 to 2015

# 2016 Operating Leverage Scenarios

| Revenue Growth      | 0% Growth | 5% Growth | 10% Growth | 15% Growth |
|---------------------|-----------|-----------|------------|------------|
| Leverage*           | 100%      | 60%       | 55%        | 50%        |
| Est Expense Growth* | 0%        | 2%–4%     | 5%–6%      | 7%–8%      |

\* This represents NI Managements current planning as of January 28, 2016.

# 2016 Strategic Goals

## Drive Organic Revenue Growth

- Leverage our strategic investments in R&D and field sales
- Broaden and deepen our customer relationships
- Gain market share

## Deliver Strong Profitability

- Preserve our strong gross margins
- Drive efficiency of resources
  - Optimize operating expenses



# Appendix

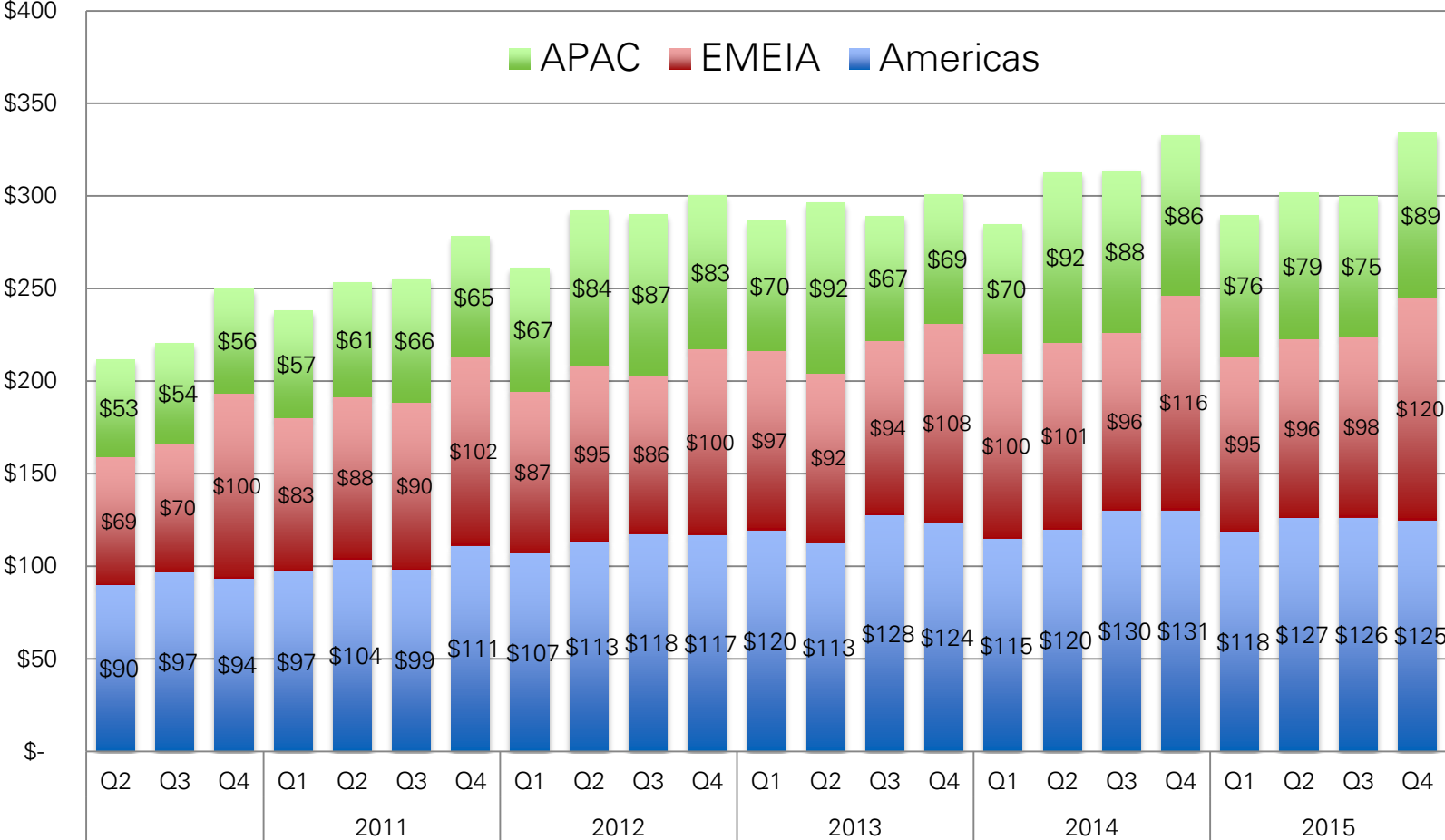
## National Instruments Corporation

Reconciliation of revenue growth percentage under U.S. GAAP to revenue growth percentage excluding the effect of foreign currency changes and changes in revenue from our largest customer  
(unaudited)

|  | Three Months<br>Ended<br>December 31, 2015 |
|--|--|
| Revenue growth percentage as reported in USD   | 0.5%                                       |
| Effect of excluding the decrease caused by foreign currency changes  | 4.5%                                       |
| Effect of excluding the revenue increase from our largest customer   | -0.7%                                      |
|  | 4.3%                                       |
| Pro-forma revenue growth percentage excluding the impact of currency and our largest customer                        | 4.3%                                       |
|  | 4.3%                                       |
|  | Three Months<br>Ended<br>March 31, 2016    |
| Mid-point guidance for revenue decrease percentage in USD  | 5.3%                                       |
| Estimated effect of excluding the decrease caused by foreign currency changes  | 4.0%                                       |
| Estimated effect of excluding the revenue increased from our largest customer  | -0.3%                                      |
|  | 9.0%                                       |
| Pro-forma mid-point guidance for revenue growth percentage excluding the impact of currency and our largest customer | 9.0%                                       |
|  | 9.0%                                       |

This guidance was given by NI on January 28, 2016. The inclusion of such guidance in this presentation shall not constitute an affirmation of such guidance as of any date subsequent to January 28, 2016.

# Historical Regional Revenue





# Reconciliation of YoY GAAP revenue growth to YoY GAAP revenue growth excluding the effect of our current largest customer and the impact of foreign currency exchange

|   | 00 - Q1 | 00 - Q2 | 00 - Q3 | 00 - Q4 | 01 - Q1 | 01 - Q2 | 01 - Q3 | 01 - Q4 | 02 - Q1 | 02 - Q2 | 02 - Q3 | 02 - Q4 | 03 - Q1 | 03 - Q2 | 03 - Q3 | 03 - Q4 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| YoY GAAP revenue growth, as reported                        | 27.7%   | 24.8%   | 23.6%   | 22.3%   | 14.9%   | -1.9%   | -16.8%  | -17.3%  | -12.3%  | -4.3%   | 12.9%   | 12.8%   | 4.7%    | 7.1%    | 9.0%    | 14.4%   |
| Effect of excluding our current largest customer            | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    |
| YoY GAAP revenue growth, excluding our largest customer     | 27.7%   | 24.8%   | 23.6%   | 22.3%   | 14.9%   | -1.9%   | -16.8%  | -17.3%  | -12.3%  | -4.3%   | 12.9%   | 12.8%   | 4.7%    | 7.1%    | 9.0%    | 14.4%   |
| Effect of excluding the impact of foreign currency exchange | 1.6%    | 3.0%    | -0.9%   | 3.4%    | 6.1%    | 4.3%    | 4.1%    | 1.7%    | -1.3%   | 0.2%    | -2.9%   | -1.0%   | -0.9%   | -3.7%   | -2.0%   | -3.3%   |
| Core YoY revenue growth                                     | 29.3%   | 27.8%   | 22.7%   | 25.7%   | 21.0%   | 2.4%    | -12.7%  | -15.7%  | -13.6%  | -4.1%   | 10.0%   | 11.8%   | 3.8%    | 3.4%    | 7.0%    | 11.2%   |

|   | 04 - Q1 | 04 - Q2 | 04 - Q3 | 04 - Q4 | 05 - Q1 | 05 - Q2 | 05 - Q3 | 05 - Q4 | 06 - Q1 | 06 - Q2 | 06 - Q3 | 06 - Q4 | 07 - Q1 | 07 - Q2 | 07 - Q3 | 07 - Q4 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| YoY GAAP revenue growth, as reported                        | 25.7%   | 26.9%   | 19.8%   | 12.4%   | 4.1%    | 10.8%   | 13.0%   | 16.6%   | 19.3%   | 13.7%   | 15.9%   | 13.6%   | 10.9%   | 12.1%   | 12.4%   | 12.9%   |
| Effect of excluding our current largest customer            | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    |
| YoY GAAP revenue growth, excluding our largest customer     | 25.7%   | 26.9%   | 19.8%   | 12.4%   | 4.1%    | 10.8%   | 13.0%   | 16.6%   | 19.3%   | 13.7%   | 15.9%   | 13.6%   | 10.9%   | 12.1%   | 12.4%   | 12.9%   |
| Effect of excluding the impact of foreign currency exchange | -7.6%   | -6.8%   | -3.8%   | -4.1%   | -6.1%   | -5.8%   | -2.6%   | -2.2%   | 3.7%    | 2.7%    | -1.6%   | -1.6%   | -2.7%   | -3.1%   | -2.3%   | -4.5%   |
| Core YoY revenue growth                                     | 18.1%   | 20.1%   | 16.0%   | 8.3%    | -2.0%   | 5.0%    | 10.4%   | 14.4%   | 23.0%   | 16.4%   | 14.3%   | 12.0%   | 8.2%    | 9.0%    | 10.1%   | 8.4%    |

|   | 08 - Q1 | 08 - Q2 | 08 - Q3 | 08 - Q4 | 09 - Q1 | 09 - Q2 | 09 - Q3 | 09 - Q4 | 10 - Q1 | 10 - Q2 | 10 - Q3 | 10 - Q4 | 11 - Q1 | 11 - Q2 | 11 - Q3 | 11 - Q4 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| YoY GAAP revenue growth, as reported                        | 12.4%   | 17.3%   | 16.6%   | -1.3%   | -18.2%  | -27.7%  | -23.3%  | -0.3%   | 21.1%   | 39.1%   | 33.6%   | 24.0%   | 24.5%   | 19.6%   | 15.7%   | 11.2%   |
| Effect of excluding our current largest customer            | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    | -0.5%   | -1.0%   | -8.9%   | -2.0%   |
| YoY GAAP revenue growth, excluding our largest customer     | 12.4%   | 17.3%   | 16.6%   | -1.3%   | -18.2%  | -27.7%  | -23.3%  | -0.3%   | 21.1%   | 39.1%   | 33.6%   | 24.0%   | 24.0%   | 18.6%   | 6.8%    | 9.2%    |
| Effect of excluding the impact of foreign currency exchange | -5.2%   | -7.9%   | -6.3%   | 0.8%    | 3.9%    | 6.2%    | 4.6%    | 0.0%    | -5.5%   | -6.9%   | 2.0%    | -1.6%   | 1.1%    | -3.9%   | -5.8%   | 0.2%    |
| Core YoY revenue growth                                     | 7.2%    | 9.4%    | 10.3%   | -0.5%   | -14.3%  | -21.5%  | -18.6%  | -0.2%   | 15.6%   | 32.3%   | 35.6%   | 22.4%   | 25.0%   | 14.7%   | 1.0%    | 9.4%    |

|   | 12 - Q1 | 12 - Q2 | 12 - Q3 | 12 - Q4 | 13 - Q1 | 13 - Q2 | 13 - Q3 | 13 - Q4 | 14 - Q1 | 14 - Q2 | 14 - Q3 | 14 - Q4 | 15 - Q1 | 15 - Q2 | 15 - Q3 | 15 - Q4 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| YoY GAAP revenue growth, as reported                        | 9.8%    | 15.4%   | 13.7%   | 8.0%    | 9.7%    | 1.3%    | -0.3%   | 0.2%    | -0.6%   | 5.6%    | 8.5%    | 10.6%   | 1.7%    | -3.5%   | -4.4%   | 0.5%    |
| Effect of excluding our current largest customer            | -1.8%   | -7.3%   | -2.3%   | -3.7%   | 0.7%    | -0.7%   | 8.6%    | 4.1%    | -1.2%   | 1.6%    | -4.4%   | -1.1%   | 1.0%    | 3.5%    | 3.5%    | -0.7%   |
| YoY GAAP revenue growth, excluding our largest customer     | 8.0%    | 8.1%    | 11.4%   | 4.3%    | 10.4%   | 0.6%    | 8.3%    | 4.3%    | -1.8%   | 7.2%    | 4.1%    | 9.6%    | 2.7%    | 0.0%    | -0.9%   | -0.2%   |
| Effect of excluding the impact of foreign currency exchange | -0.6%   | 2.8%    | 4.0%    | 0.3%    | -0.4%   | 0.9%    | 0.2%    | 0.7%    | 1.2%    | -0.3%   | -1.0%   | 2.3%    | 6.0%    | 6.2%    | 5.5%    | 4.5%    |
| Core YoY revenue growth                                     | 7.4%    | 10.9%   | 15.4%   | 4.6%    | 10.0%   | 1.5%    | 8.5%    | 5.0%    | -0.6%   | 6.9%    | 3.1%    | 11.9%   | 8.7%    | 6.3%    | 4.6%    | 4.3%    |

