



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, GAAP and core revenue guidance for Q1, and the effect of foreign exchange on our business. 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 31, 2016. 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. For periods prior to March 31, 2006, 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., our "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 and in the appendix of this presentation.

Long-Term Track Record of Growth

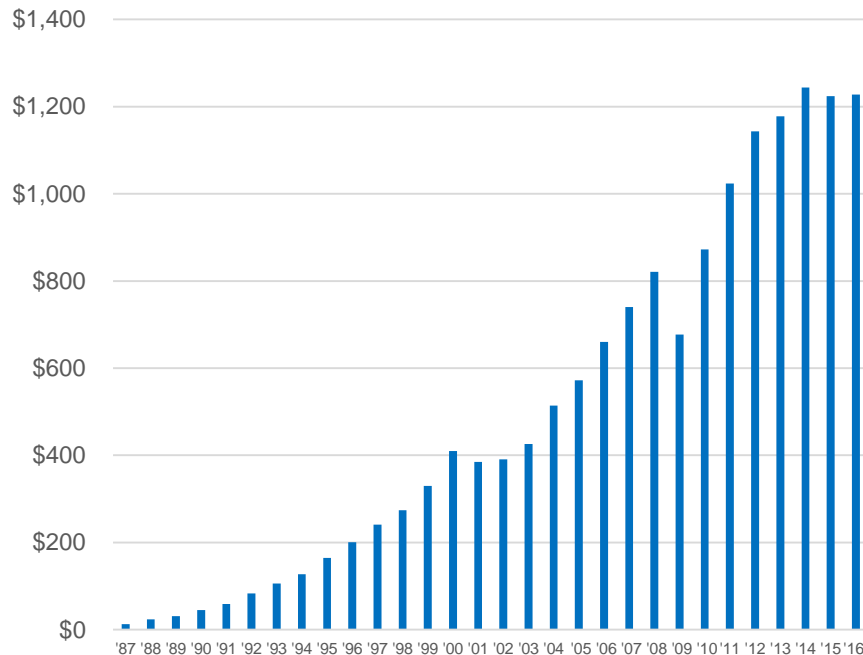
Revenue: \$1.23 billion in 2016

Global Operations: Approximately 7,550 employees; operations in approximately 50 countries

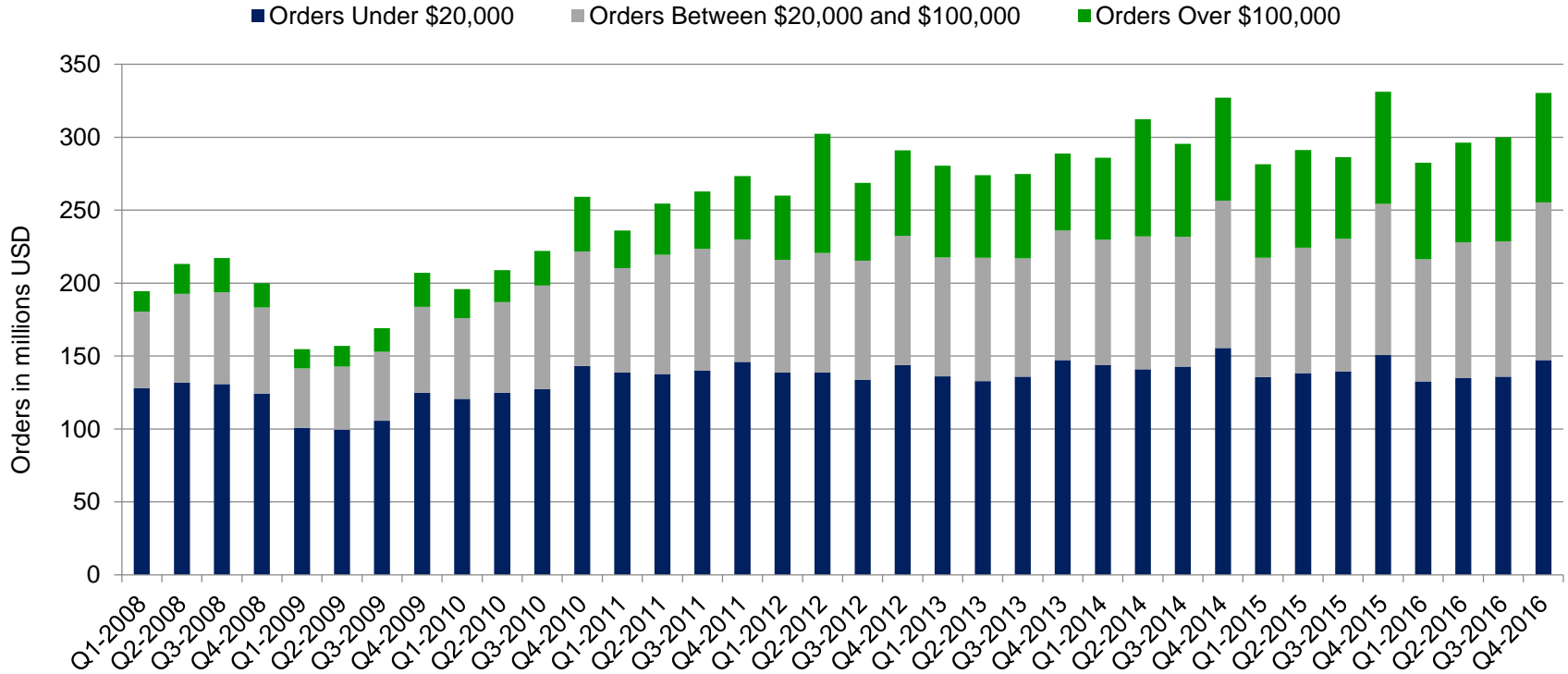
Broad customer base: More than 35,000 companies served annually

Diversity: No industry >15% of revenue

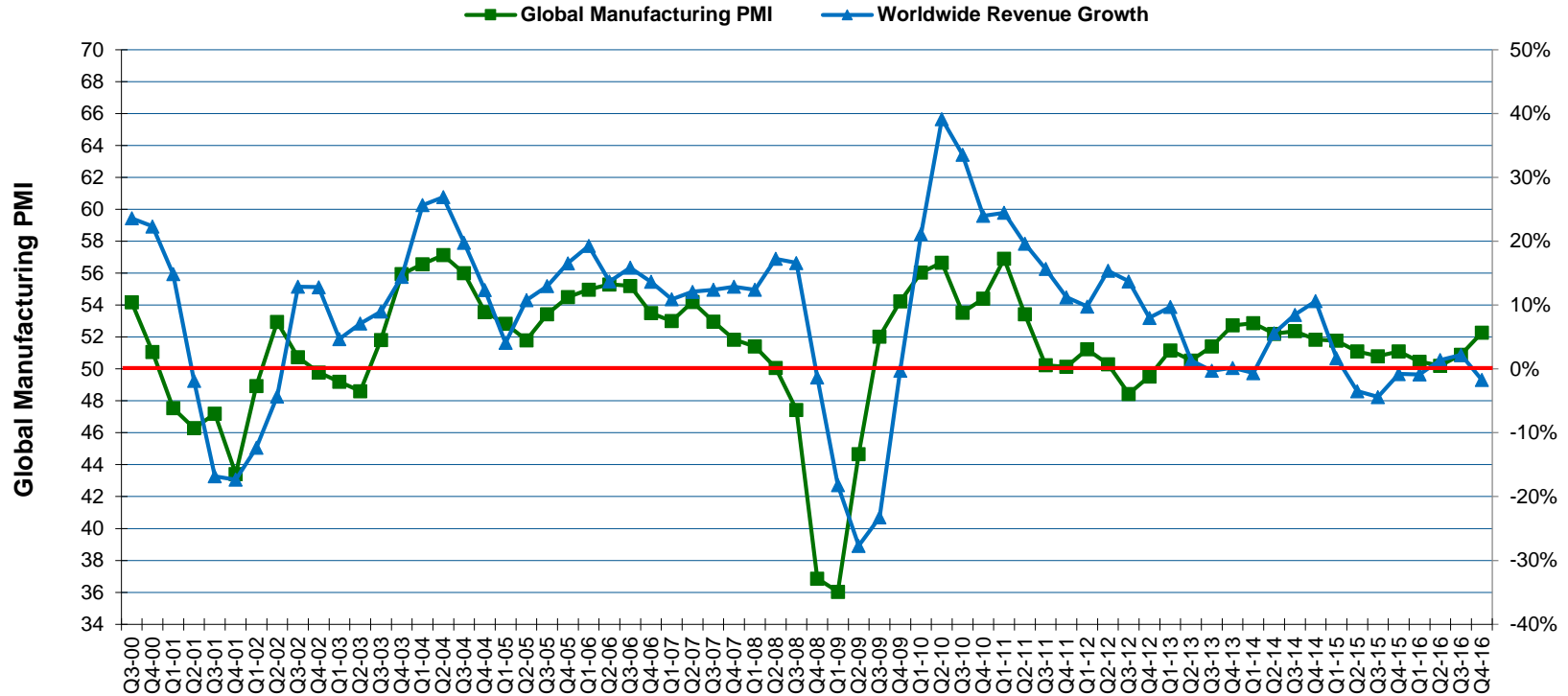
Revenue in Millions



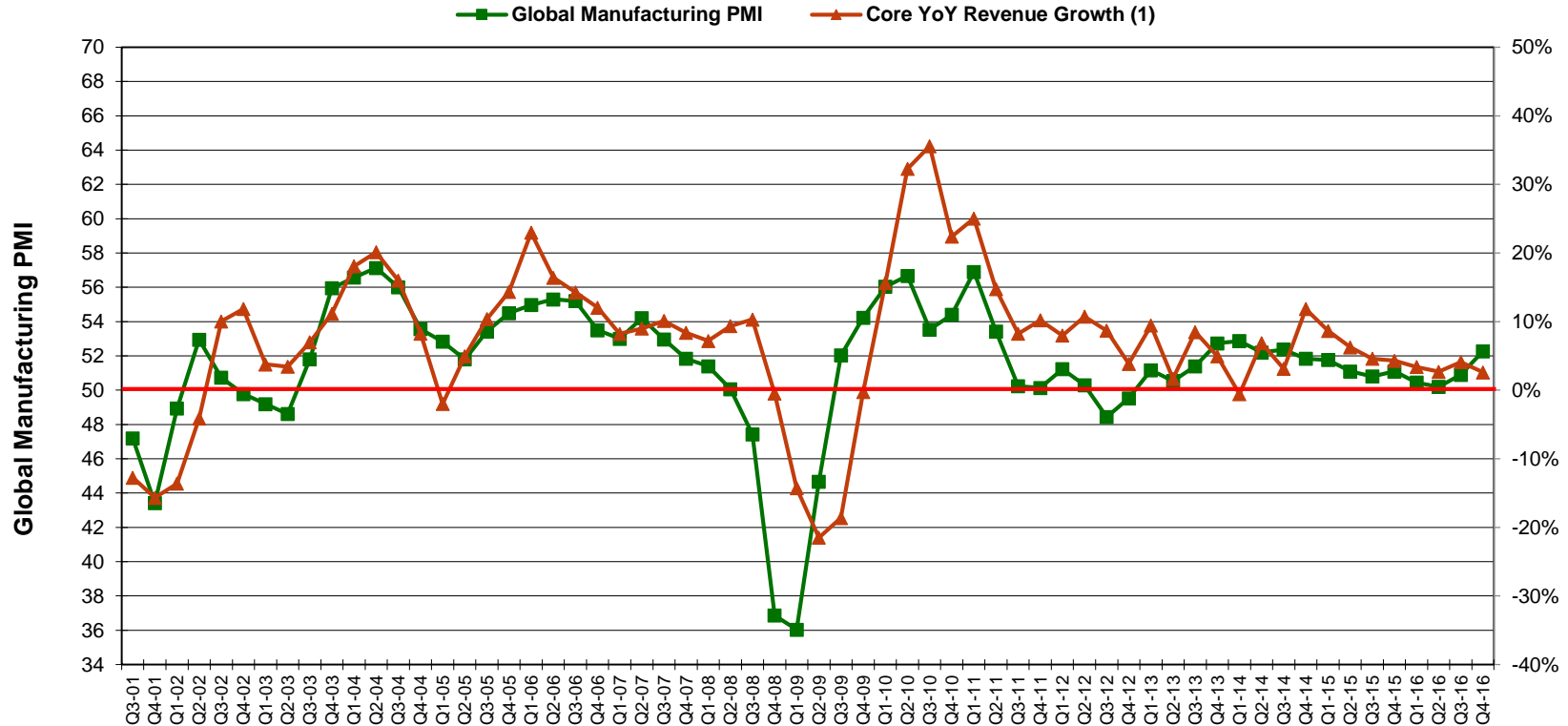
Worldwide Order Mix



Global Manufacturing PMI vs WW Revenue Growth

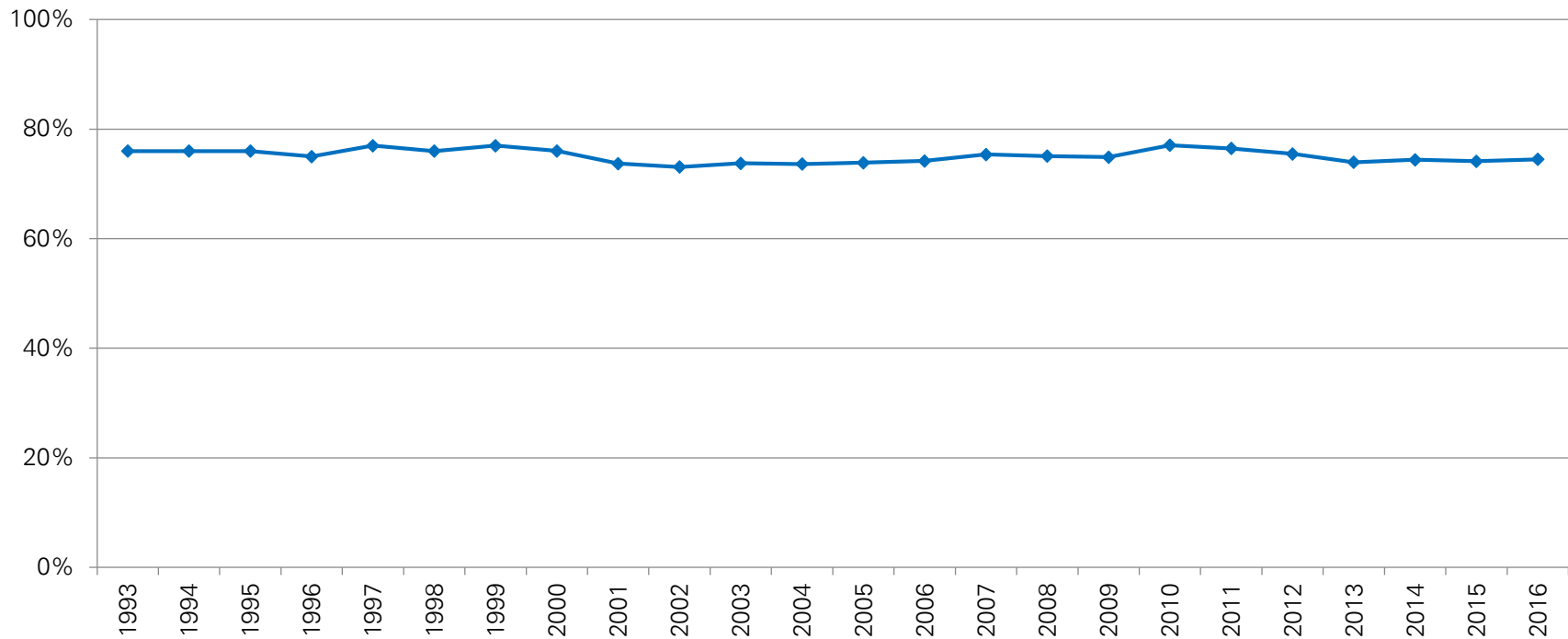


Global Manufacturing PMI vs WW Core Revenue Growth*

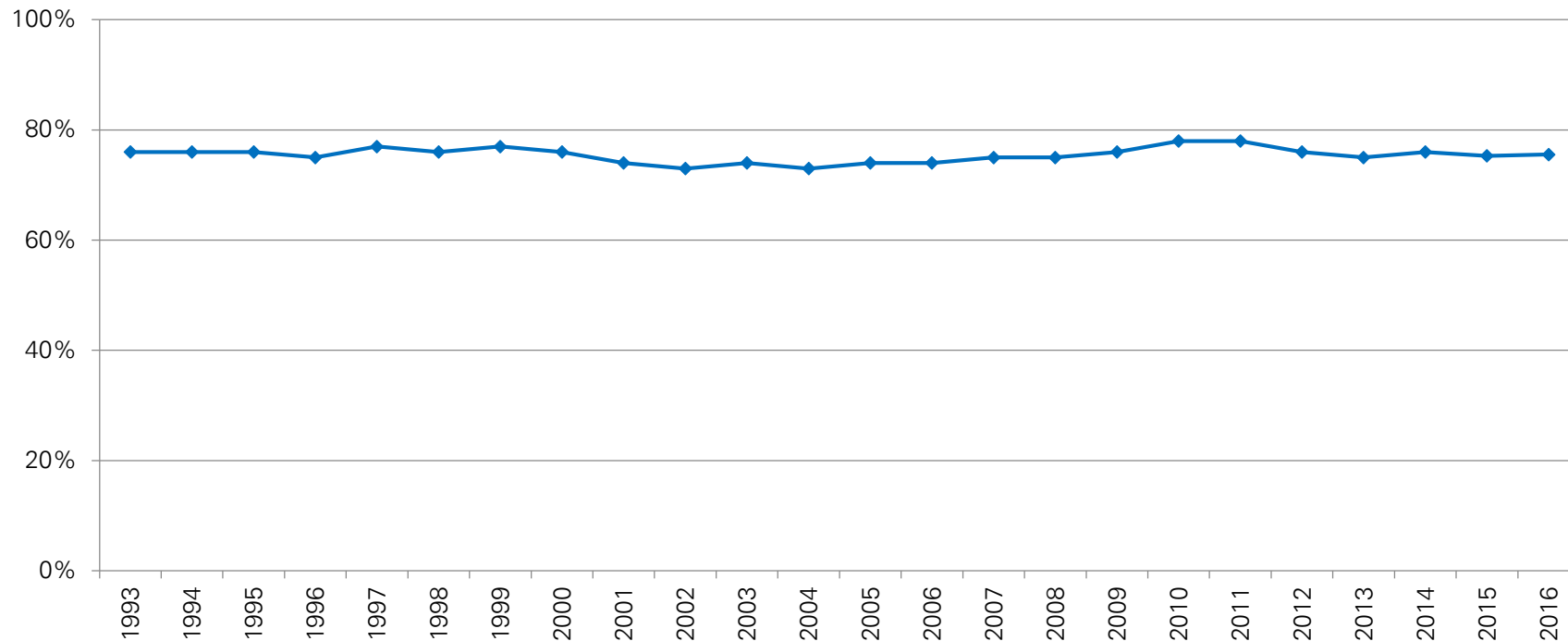


*Core Revenue Growth excludes the effect of our current largest customer and the impact of foreign currency exchange. See reconciliation of GAAP revenue growth to core revenue growth in appendix and at ni.com/investors.

Preserving our GAAP Gross Margins



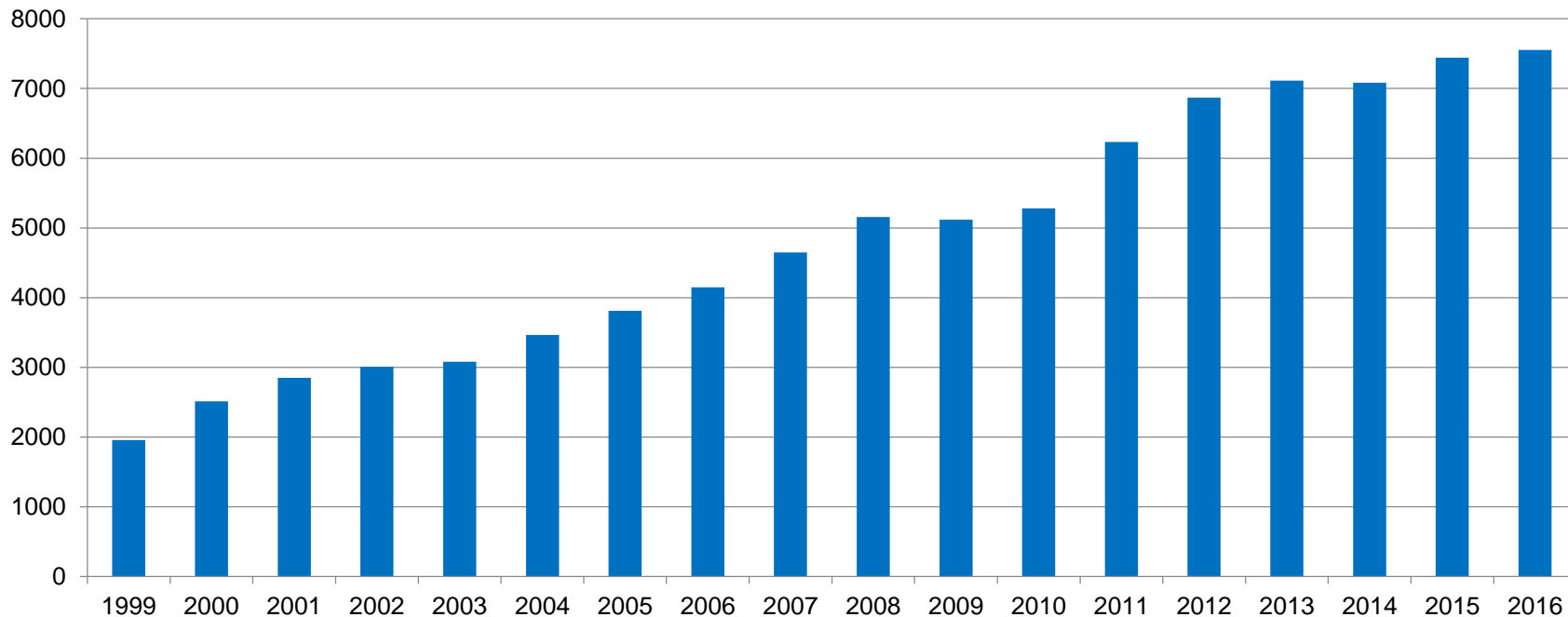
Preserving our NON-GAAP* Gross Margins



*A reconciliation of GAAP gross margin to non-GAAP gross margin results is available at investor.ni.com

Leveraging Our Investments

Worldwide Headcount



2017 Operating Leverage Scenarios

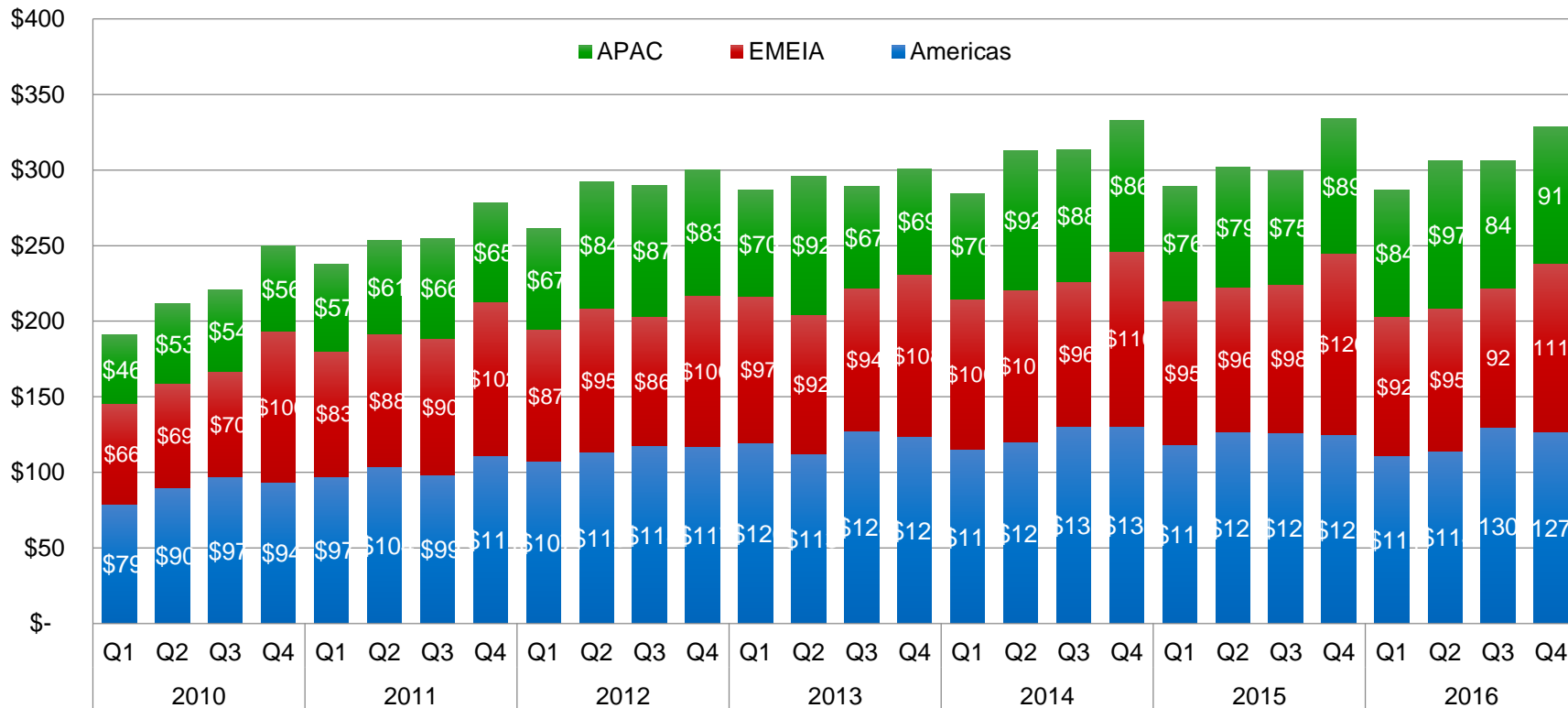
Revenue Growth	0% Growth	5% Growth	10% Growth	15% Growth
Leverage*	100%	60%	55%	50%
Est Expense Growth*	0%	2%–4%	5%–6%	7%–8%

* This represents NI Management's current planning, as of Jan. 26, 2017, given each revenue growth scenario.



Appendix

Historical Regional Revenue



Summary Information

	3 Months Ended December 31		12 Months Ended December 31	
	2016	2015	2016	2015
GAAP Net Revenue	\$328.5	\$334.3	\$1228.1	\$1225.5
Non-GAAP Net Revenue	\$329.4	\$334.3	\$1229.1	\$1225.5
GAAP Operating Income	\$49.3	\$50.0	\$119.7	\$137.1
Non-GAAP Operating Income	\$59.9	\$61.7	\$161.8	\$179.6
GAAP Operating Margin	15.0%	15.0%	9.7%	11.2%
Non-GAAP Operating Margin	18.2%	18.5%	13.2%	14.7%
GAAP Net Income	\$33.8	\$32.1	\$87.4	\$95.3
Non-GAAP Net Income	\$43.5	\$43.3	\$124.9	\$128.3
GAAP Diluted EPS	\$0.26	\$0.25	\$0.68	\$0.74
Non-GAAP Diluted EPS	\$0.34	\$0.34	\$0.97	\$1.00
Weighted Shs OS - Diluted	129.5	127.8	129.0	128.7

GAAP to non-GAAP Operating Income Reconciliation

	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
Operating income, as reported	\$ 76,415	\$ 48,444	\$ 40,355	\$ 40,349	\$ 62,696	\$ 78,212	\$ 87,722	\$ 102,091	\$ 95,717	\$ 46,531	\$ 128,313	\$ 112,712	\$ 116,934	\$ 98,617	\$ 145,187	\$ 137,172	\$ 119,726
Acquisition related deferred revenue and GSA accrual	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,837	\$ 807	\$ -	\$ -	\$ -	\$ -
Stock based compensation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,544	\$ 14,140	\$ 17,534	\$ 19,747	\$ 20,299	\$ 18,795	\$ 23,219	\$ 27,796	\$ 28,935	\$ 25,758	\$ 25,487	\$ 25,766
Amortization of acquisition intangibles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,951	\$ 3,202	\$ 3,191	\$ 4,167	\$ 3,948	\$ 3,887	\$ 8,135	\$ 10,962	\$ 14,749	\$ 14,002	\$ 14,276	\$ 13,072
Acquisition related adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,783	\$ (1,316)	\$ -	\$ -	\$ 1,585
Acquisition related transaction costs and restructuring charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,084	\$ 1,335	\$ 2,050	\$ 2,161	\$ 2,625	\$ 1,695
Non-GAAP operating income	\$ 76,415	\$ 48,444	\$ 40,355	\$ 40,349	\$ 62,696	\$ 81,707	\$ 105,064	\$ 122,816	\$ 119,631	\$ 70,778	\$ 150,995	\$ 163,987	\$ 164,617	\$ 143,035	\$ 187,108	\$ 179,565	\$ 161,844

Reconciliation of Operating Income % to Non-GAAP Operating Income %

	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
Operating income %, as reported	19%	13%	10%	9%	12%	14%	13%	14%	12%	7%	15%	11%	10%	8%	12%	11%	10%
Acquisition related deferred revenue and GSA accrual																	
Stock based compensation	0%	0%	0%	0%	0%	0%	2%	2%	2%	3%	2%	2%	2%	2%	2%	2%	2%
Amortization of acquisition intangibles	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	1%	1%	1%	1%	1%	1%
Acquisition related adjustments	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%
Acquisition related transaction costs and restructuring charges	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Non-GAAP operating income %	19%	13%	10%	9%	12%	14%	16%	17%	15%	10%	17%	16%	14%	12%	15%	15%	13%

Annual 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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
YoY GAAP Revenue growth, as reported	24.4%	-6.1%	1.4%	9.0%	20.7%	11.2%	15.5%	12.1%	10.8%	-17.5%	29.1%	17.3%	11.7%	2.5%	6.1%	-1.5%	0.2%
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%	-1.1%	-5.6%	3.2%	-1.3%	1.8%	-0.4%
YoY GAAP Revenue growth, excluding our largest customer	24.4%	-6.1%	1.4%	9.0%	20.7%	11.2%	15.5%	12.1%	10.8%	-17.5%	29.1%	16.2%	6.1%	5.7%	4.8%	0.3%	-0.2%
Effect of excluding the impact of foreign currency exchange	1.8%	3.9%	-1.2%	-2.5%	-5.5%	-4.1%	0.7%	-3.2%	-4.5%	3.7%	-2.8%	-2.1%	1.6%	0.4%	0.6%	5.5%	3.3%
YoY Core Revenue growth	26.2%	-2.2%	0.2%	6.5%	15.2%	7.1%	16.2%	8.9%	6.3%	-13.8%	26.3%	14.1%	7.7%	6.1%	5.4%	5.8%	3.1%

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	04 - Q1	04 - Q2	04 - Q3	04 - 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%	25.7%	26.9%	19.8%	12.4%	
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%	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%	25.7%	26.9%	19.8%	12.4%	
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%	-7.6%	-6.8%	-3.8%	-4.1%	
YoY Core 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%	18.1%	20.1%	16.0%	8.3%	

	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	08 - Q1	08 - Q2	08 - Q3	08 - Q4
YoY GAAP Revenue growth, as reported	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%	12.4%	17.3%	16.6%	-1.3%
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%	0.0%
YoY GAAP Revenue growth, excluding our largest customer	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%	12.4%	17.3%	16.6%	-1.3%
Effect of excluding the impact of foreign currency exchange	-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%	-5.2%	-7.9%	-6.3%	0.8%
YoY Core Revenue growth	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%	7.2%	9.4%	10.3%	-0.5%

	09 - Q1	09 - Q2	09 - Q3	09 - Q4	10 - Q1	10 - Q2	10 - Q3	10 - Q4	11 - Q1	11 - Q2	11 - Q3	11 - Q4	12 - Q1	12 - Q2	12 - Q3	12 - Q4
YoY GAAP Revenue growth, as reported	-18.2%	-27.7%	-23.3%	-0.3%	21.1%	39.1%	33.6%	24.0%	24.5%	19.6%	15.7%	11.2%	9.8%	15.4%	13.7%	8.0%
Effect of excluding our current largest customer	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.5%	-1.0%	-1.7%	-1.3%	-1.3%	-7.5%	-9.0%	-4.5%
YoY GAAP Revenue growth, excluding our largest customer	-18.2%	-27.7%	-23.3%	-0.3%	21.1%	39.1%	33.6%	24.0%	24.0%	18.6%	14.0%	10.0%	8.5%	7.9%	4.7%	3.6%
Effect of excluding the impact of foreign currency exchange	3.9%	6.2%	4.6%	0.0%	-5.5%	-6.9%	2.0%	-1.6%	1.1%	-3.9%	-5.8%	0.2%	-0.6%	2.8%	4.0%	0.3%
YoY Core Revenue growth	-14.3%	-21.5%	-18.6%	-0.2%	15.6%	32.3%	35.6%	22.4%	25.0%	14.7%	8.2%	10.2%	8.0%	10.7%	8.7%	3.9%

	13 - Q1	13 - Q2	13 - Q3	13 - Q4	14 - Q1	14 - Q2	14 - Q3	14 - Q4	15 - Q1	15 - Q2	15 - Q3	15 - Q4	16 - Q1	16 - Q2	16 - Q3	16 - Q4
YoY GAAP Revenue growth, as reported	9.7%	1.3%	-0.3%	0.2%	-0.6%	5.6%	8.5%	10.6%	1.7%	-3.5%	-4.4%	0.5%	-0.8%	1.4%	2.2%	-1.7%
Effect of excluding our current largest customer	0.1%	-0.6%	8.6%	4.1%	-1.2%	1.6%	-4.4%	-1.1%	1.0%	3.5%	3.5%	-0.7%	-1.4%	-1.7%	-0.6%	1.9%
YoY GAAP Revenue growth, excluding our largest customer	9.8%	0.8%	8.3%	4.3%	-1.8%	7.2%	4.1%	9.6%	2.7%	0.0%	-0.9%	-0.2%	-2.2%	-0.3%	1.6%	0.2%
Effect of excluding the impact of foreign currency exchange	-0.4%	0.9%	0.2%	0.7%	1.2%	-0.3%	-1.0%	2.3%	6.0%	6.2%	5.5%	4.5%	5.6%	3.0%	2.5%	2.4%
YoY Core Revenue growth	9.5%	1.7%	8.5%	5.0%	-0.6%	6.9%	3.1%	11.9%	8.7%	6.3%	4.6%	4.3%	3.4%	2.7%	4.1%	2.6%

