

NATIONAL INSTRUMENTS CORP

FORM DEFA14A

(Additional Proxy Soliciting Materials (definitive))

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

SCHEDULE 14A
(RULE 14a-101)

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

National Instruments Corporation
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4)

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(1) Amount Previously Paid:

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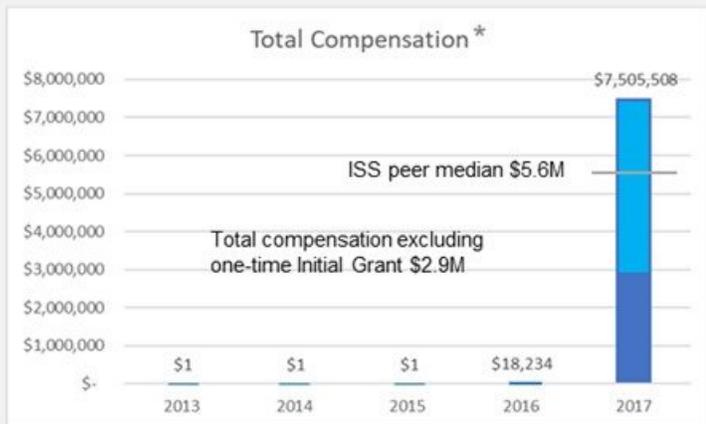
(4) Date Filed:

Revised Supplemental CEO Compensation Information

National Instruments CEO Transition in 2017

- National Instruments founder, Dr. James Truchard, retired from the CEO position in January 2017.
- Dr. Truchard was receiving \$1 per year salary at his own request.
- He was replaced by Alex Davern, only the second CEO to lead the company since its founding in 1976.
- A change in CEO compensation up from \$1 per year to reasonable compensation for the CEO position was necessary.
- The 2017 CEO compensation includes a one-time award of RSUs (“Initial Grant”) which will not repeat in 2018 or 2019.

National Instruments CEO Compensation



One-time Initial Grant for new CEO was 62% of total comp in 2017

One-time Initial Grant does not repeat

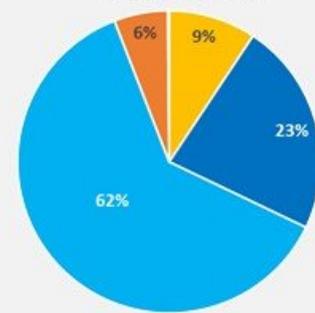


*From NI proxy statements

NI Executive Compensation Philosophy

- Total compensation opportunities should be competitive
- Total compensation should be related to NI's performance
- Total compensation should be related to individual performance
- Equity rewards help executives think like stockholders
- NI's overall amount of equity awards should be related to its revenue growth
- The same compensation programs should generally apply to both executives and non-executive employees whenever possible

2017 New CEO Total Compensation
Highly variable



- Base Salary
- Stock Awards
- One-Time Initial Grant
- Non-equity Incentive Plan Compensation
- All Other Compensation (\$11,208)

\$1.29

BILLION REVENUE
IN 2017



35,000+
CUSTOMERS WORLDWIDE

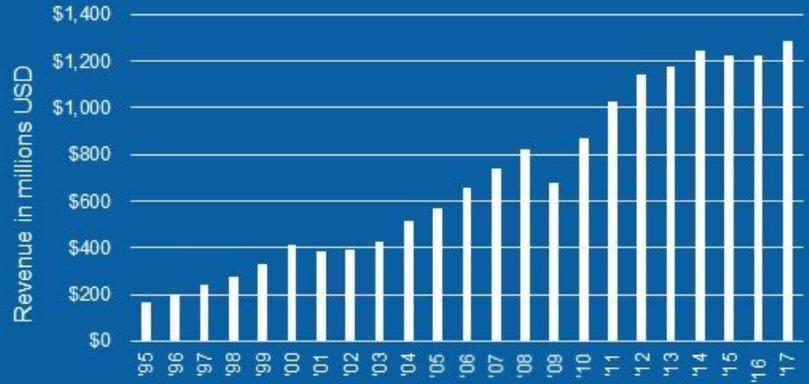


Continuous
INVESTMENT IN R&D

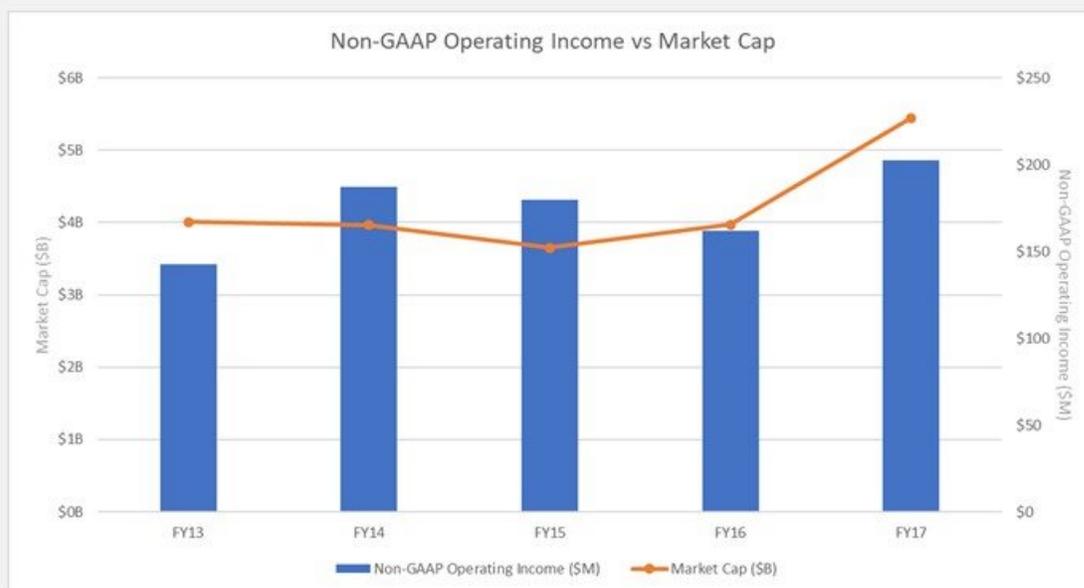
NI at a Glance

Long-Term Track Record of Growth

- Founded in 1976
- Global Operations in more than 50 countries
- Approximately 7,300 employees
- Broad customer base, more than 35,000 companies served annually
- Diversity with no industry >15% of revenue



Increasing Shareholder Value with Consistent Profitability



GAAP to Non-GAAP Operating Income Reconciliation*

(in thousands)

	FY 13	FY 14	FY 15	FY 16	FY 17
Operating income, as reported	\$ 98,617	\$ 145,187	\$ 137,172	\$ 119,726	145,778
Acquisition related deferred revenue and GSA accrual	\$ -	\$ -	\$ -	\$ -	
Stock based compensation	\$ 28,935	\$ 25,758	\$ 25,487	\$ 25,766	29,145
Amortization of acquisition intangibles	\$ 14,749	\$ 14,002	\$ 14,276	\$ 13,072	9,118
Acquisition related adjustments	\$ (1,316)	\$ -	\$ -	\$ 1,585	0
Acquisition related transaction costs and restructuring charges	\$ 2,050	\$ 2,161	\$ 2,625	\$ 1,695	17,609
Non-GAAP operating income	<u>\$ 143,035</u>	<u>\$ 187,108</u>	<u>\$ 179,565</u>	<u>\$ 161,844</u>	<u>\$ 201,650</u>

*We have included our non-GAAP operating income in certain of the foregoing slides. 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, taxes levied on the transfer of acquired intellectual property, tax reform charges, and impairment of minority cost basis investments. A reconciliation of our GAAP operating income to our non-GAAP operating income is included in the table above.