

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)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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(2)

Aggregate number of securities to which transaction applies:

(3)

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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- Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

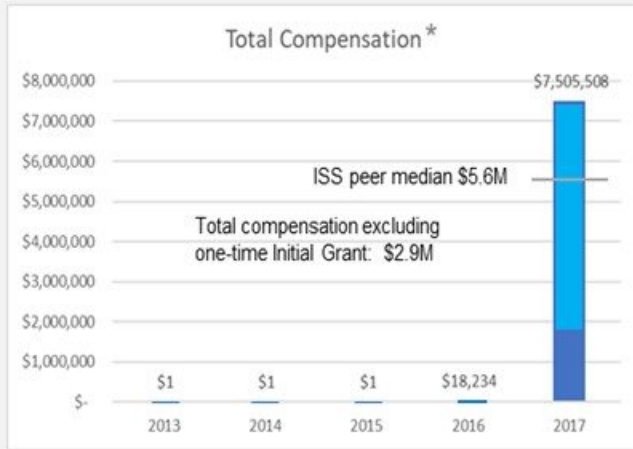
(2) Form, Schedule or Registration Statement No.:

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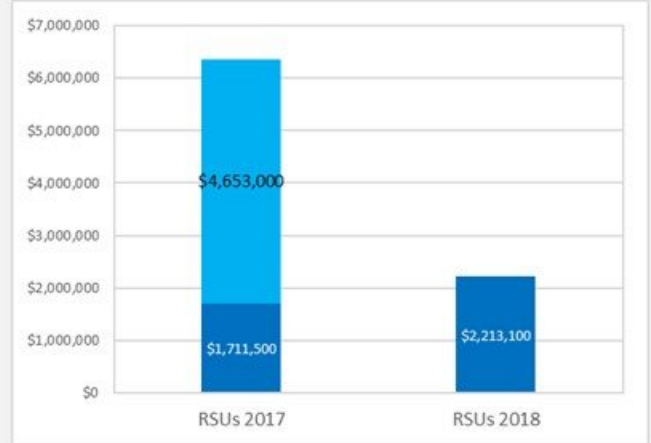
Supplemental CEO Compensation Information

National Instruments CEO Compensation



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

New CEO Equity Compensation



One-time Initial Grant does not repeat

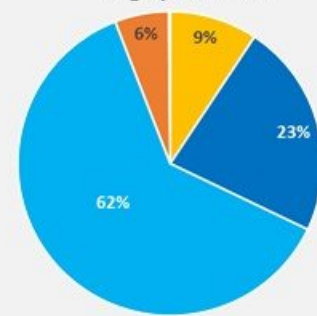


*From NI proxy statements

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

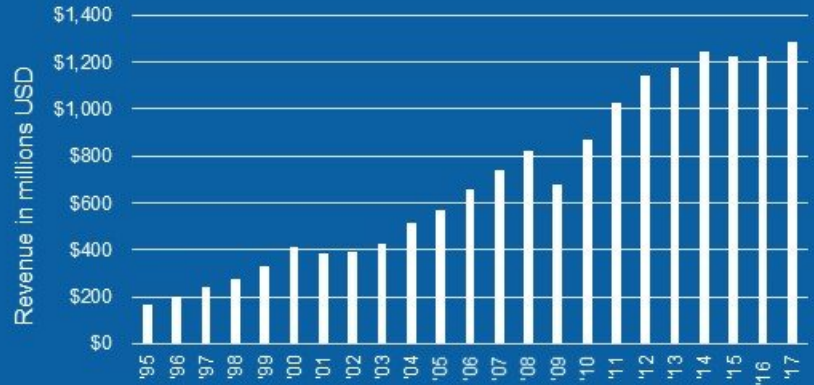


Continuous
INVESTMENT IN R&D

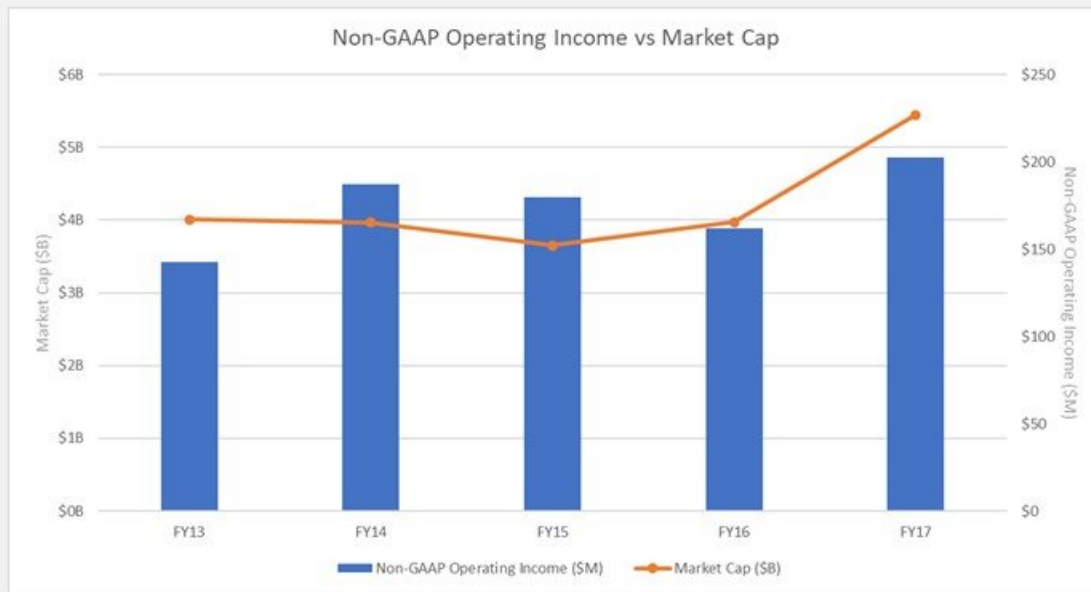
NI at a Glance

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

Reconciliation of Operating Income to Non-GAAP Operating Income

	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>

Non-GAAP Information

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.

