



First Quarter 2025 Results

May 1, 2025

Disclaimers

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 21E of the Exchange Act, including but not limited to statements related to our outlook for Q2 and full year 2025, and other financial and business goals. Forward-looking statements are based on our expectations as of the date of this presentation and are subject to a number of risks, uncertainties and assumptions, many of which involve factors or circumstances that are beyond our control. Actual results could materially differ because of such factors or circumstances, which include those described in our first quarter 2025 earnings release. You should carefully consider these factors as well as the risks and uncertainties outlined in greater detail in the Risk Factors sections of our 2024 Form 10-K, our first quarter 2025 Form 10-Q and our other SEC filings before making any investment decision with respect to our common stock. These factors, individually or in the aggregate, may cause our actual results to differ materially from our expected and historical results. We undertake no obligation to revise or update publicly any forward-looking statement for any reason, except as otherwise required by law.

Industry Data

This presentation contains statistical data, estimates, and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. While we believe the industry and market data included in this presentation are reliable and are based on reasonable assumptions, these data involve many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP measures not based on generally accepted accounting principles. For more information and for reconciliations between GAAP and these non-GAAP measures, see the appendix to this presentation.



Agenda

Q1 '25 Highlights

Q2'25 and Annual Guidance

Background on InterDigital

Appendix



Q1'25 Highlights



Financial Highlights

- ✓ Revenue, Adj. EBITDA^a and Diluted EPS all above the top end of the increased outlook*
- ✓ Annualized Recurring Revenue^b (ARR) up 30% YoY to all-time record of \$503 million
 - Smartphone ARR^b up 40% YoY to \$416 million
- ✓ Adj. EBITDA^a up 22% to \$159 million
- ✓ Adj. EBITDA margin^a of 76%, up 27 ppt YoY
- ✓ Cash balance of \$883 million



Business Highlights

- ✓ Signed new license agreement with vivo Mobile, a major Chinese smartphone vendor
- ✓ Recognized by LexisNexis as one of the world's 100 most innovative companies fourth year in a row
- ✓ Honored Martino Freda and Philippe Bordes as 2025 Inventors of the Year
- ✓ Showcased groundbreaking AI, 6G and immersive video innovations at MWC

Subsequent Events:

- ✓ In Q2, signed new license agreement with HP
- ✓ In Q2, demonstrated “HDR Without Limits” alongside partners at NAB 2025



License Agreement With vivo

- vivo is one of the largest smartphone manufacturers based in China
- License covers >100 million mobile devices shipped annually
- Agreement reached through bilateral negotiation
- Further validates importance of our foundational innovation and strength of our IP portfolio to drive future growth
- **Seven of ten largest smartphone vendors** and **almost 80% of the global smartphone market** now under license



Financial Results vs. Outlook

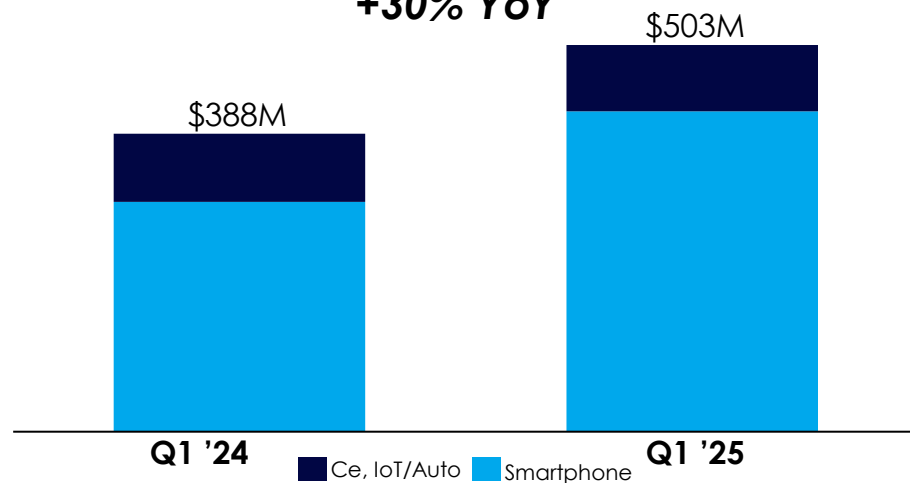
	Q1'25 RESULTS	Q1'25 OUTLOOK (Increased March 6, 2025)
Revenue	\$210.5M	\$202M - \$206M
Adjusted EBITDA ^a	\$159.1M	\$143M - \$150M
Diluted EPS	\$3.45	\$2.78 - \$2.99
Non-GAAP EPS ^a	\$4.21	\$3.66 - \$3.90

^aNon-GAAP Measure / Please see appendix for GAAP to Non-GAAP reconciliations.

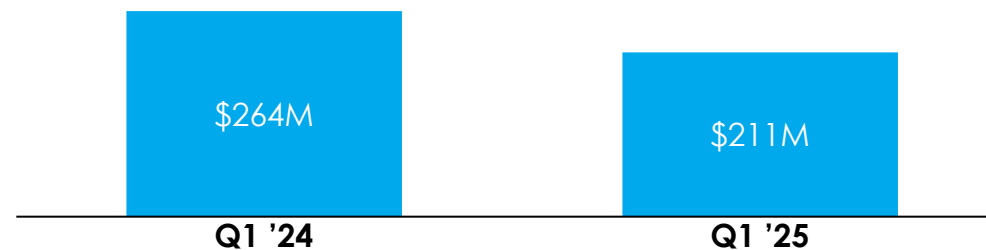


Q1'25 Results

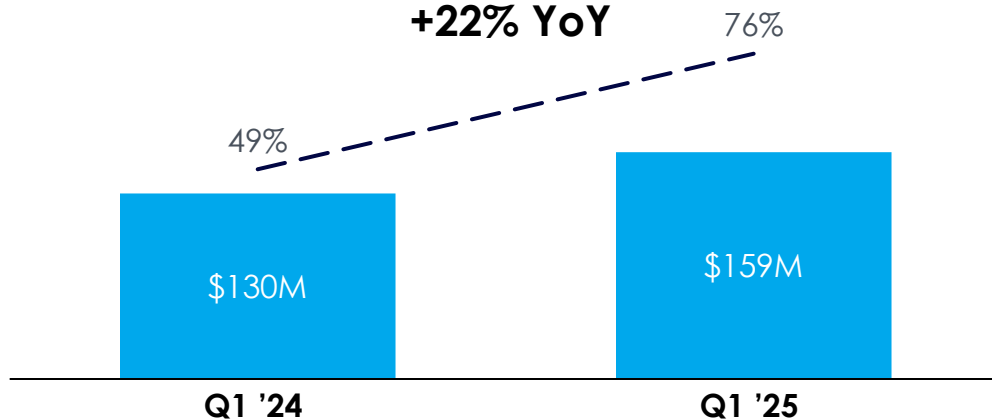
ARR^a
+30% YoY



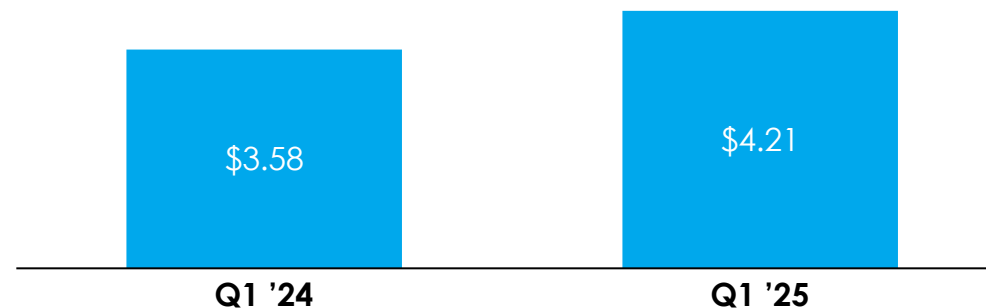
Revenue
<20%> YoY*



Adjusted EBITDA^b
+22% YoY



Non-GAAP EPS^b
+18% YoY



Q2'25 and Annual Guidance



Q2 License Agreement With HP

- Multi-year agreement licenses HP personal computers to our WiFi and video decoding technologies
- HP is one of the world's largest PC manufacturers
- Agreement reached through bilateral negotiation
- Further validates importance of our foundational innovation and growth potential beyond our Smartphone program
- **More than 50% of the PC market** now under license



Company Reaffirms FY 2025 Guidance

(as of May 1, 2025)

	Q2'25 OUTLOOK	FY25 OUTLOOK
Revenue	\$165M - \$170M	\$660M - \$760M
Adjusted EBITDA^a	\$107M - \$114M	\$400M - \$495M
Diluted EPS	\$1.90 - \$2.11	\$6.79 - \$9.67
Non-GAAP EPS^a	\$2.67 - \$2.90	\$9.69 - \$12.92

The table above presents guidance of the Company's current outlook for Q2 and full year 2025. The outlook for Q2 covers existing licenses and does not include any new agreements or arbitration results we may sign or receive over the balance of the second quarter. The outlook for FY25 includes both existing licenses and the expected contributions from both new agreements and arbitration results over the balance of the year.

^a Non-GAAP Measure / Please see appendix for GAAP to Non-GAAP reconciliations.



Upcoming Investor Events

June 3

William Blair Growth Stock Conference

 Chicago, IL

June 11

Annual Meeting of Shareholders

 Virtual

June 4

BofA Tech Conference

 San Francisco, CA

June 25

Roth 1x1 Conference

 London

June 4

Baird Consumer, Tech & Services Conference

 New York, NY



Background on InterDigital

As of May 1, 2025





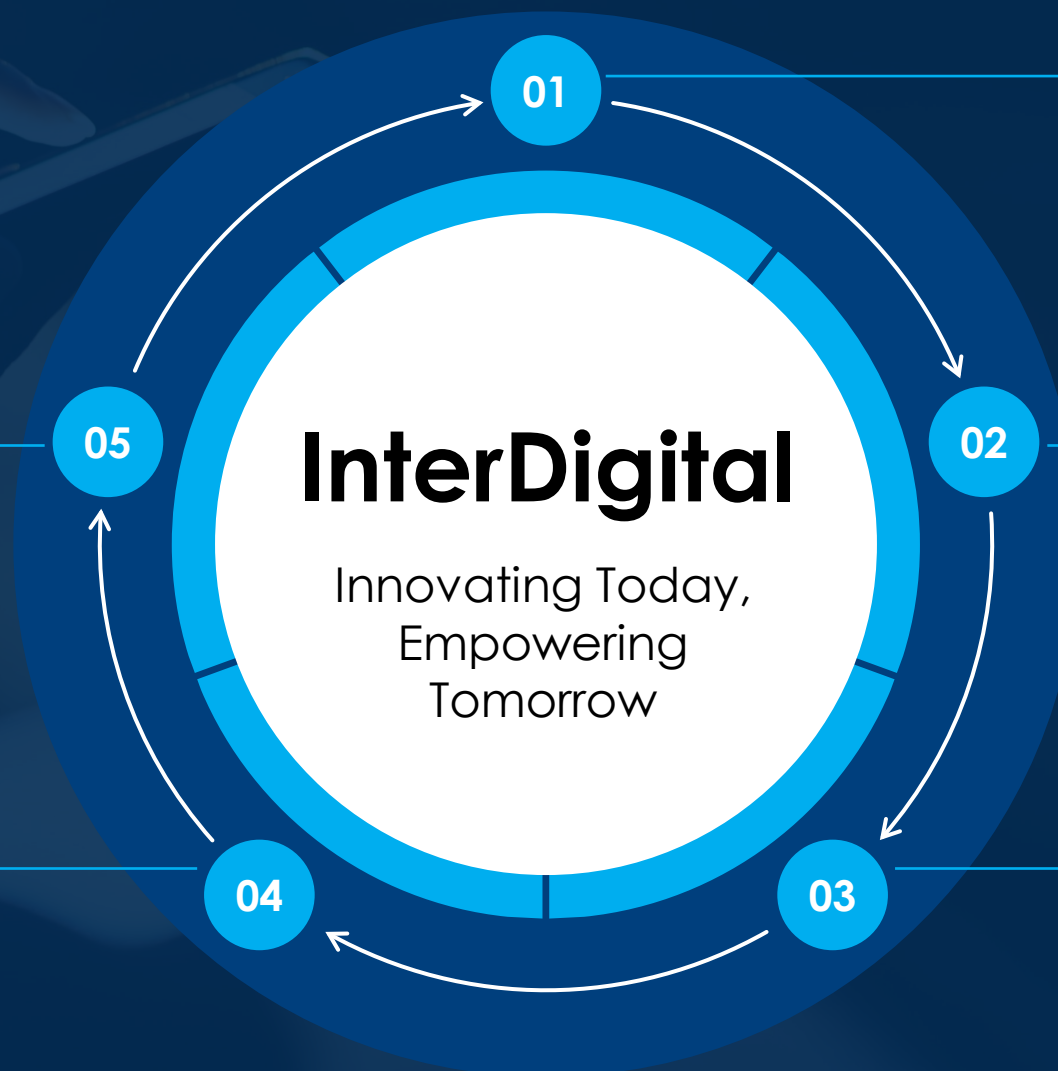
**Company
Introduction**



Premier Team



**Essential Technology
Development**



**Long-term
Growth Strategy**



**Accelerating Business
Momentum**



InterDigital Pioneering Wireless, Video and AI Research

HIGHLIGHTS

World-class team

Led by seasoned industry veterans

Driving foundational research

in wireless, video & AI since 1972

Industry-leading patents

Evergreen patent portfolio of ~34,000 assets

Long-term customers

Subscription-like revenue, \$3.6B+ in TCV* added since the start of 2021

Enabling ecosystem

Over two billion devices and \$5.7T economic value annually

2024 Financial Results

\$869M

Revenue

↑ 58% YoY

\$14.97

Non-GAAP EPS^a

↑ 62% YoY

63%

Adj. EBITDA
Margin^a

~\$1B

Cash

TOP CUSTOMERS:



SAMSUNG

Lenovo

oppo

*TCV = total contract value

^aNon-GAAP financial measure. Refer to non-GAAP reconciliation in appendix



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World-Class Leadership Team

Decades of industry experience. Strong track record. Drive deep collaboration and superb execution



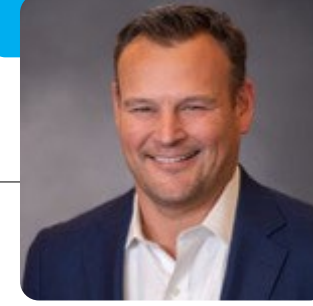
Liren Chen
CEO



Rajesh Pankaj
CTO



Julia Mattis
Chief Licensing
Officer (Interim)



Rich Brezski
CFO



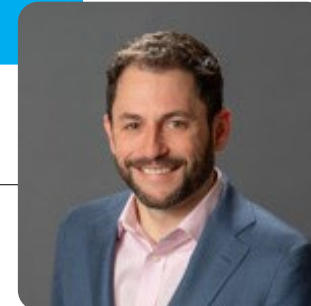
Michael Cortino
Chief Information
Officer



Ken Kaskoun
Chief Growth Officer



Skip Maloney
Chief People Officer



Joshua Schmidt
Chief Legal Officer

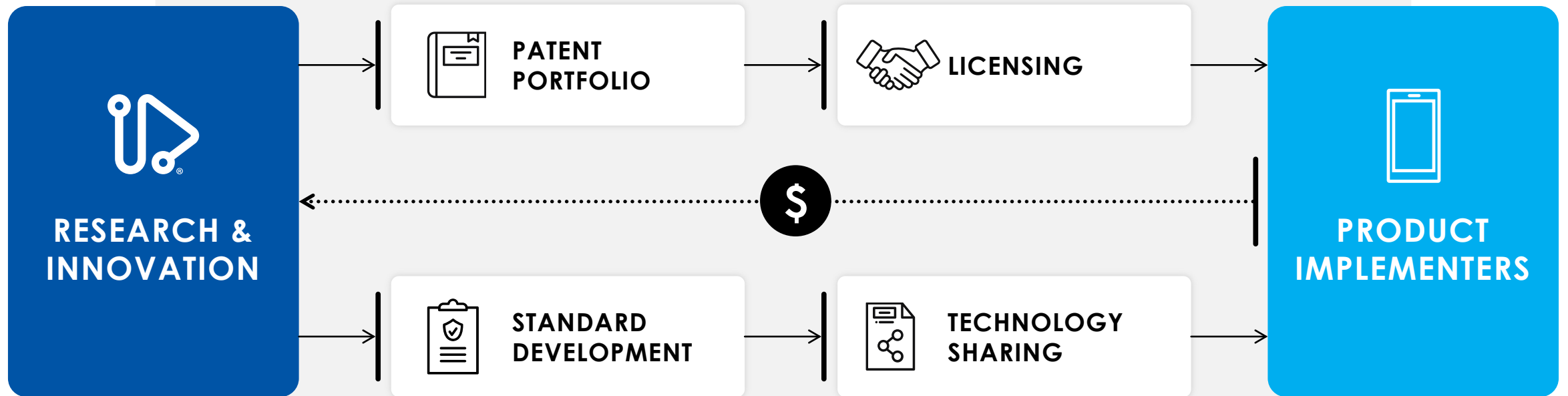


Robert S. Stien
Chief Communications
& Public Policy Officer



IP as a Service Business Model: A Virtuous Cycle of Innovation

We are a foundational R&D company. We share our innovation through the standards process and monetize our technology through IP licensing.



We Focus on Foundational Technologies

We solve the most complex problems in the system.
The technology we created is broadly applicable to many industries



WIRELESS

Cellular wireless - 4G/5G/6G

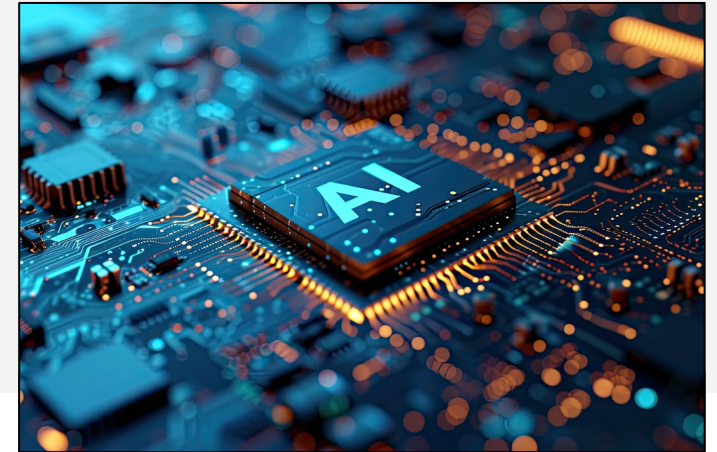
WiFi and wireless local area networks



VIDEO

Video compression, transport
and enhancement

Immersive media compression,
transport and enhancement



AI

Using AI for wireless and video

Video coding for use by AI

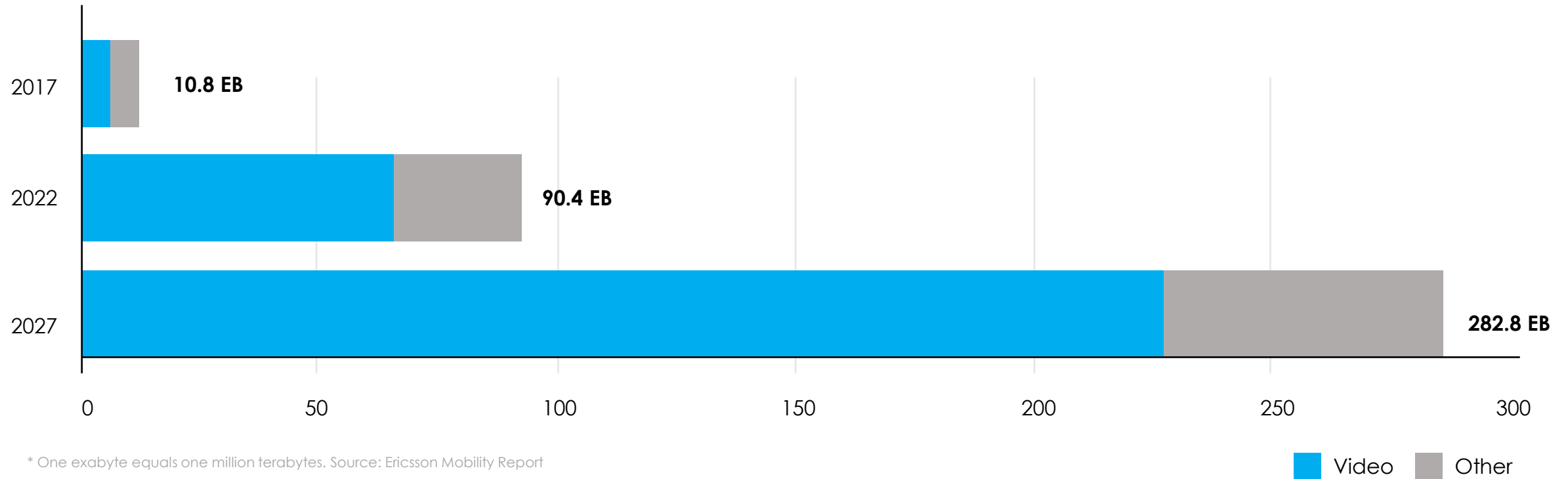
Our research and patents in these areas underpin our business



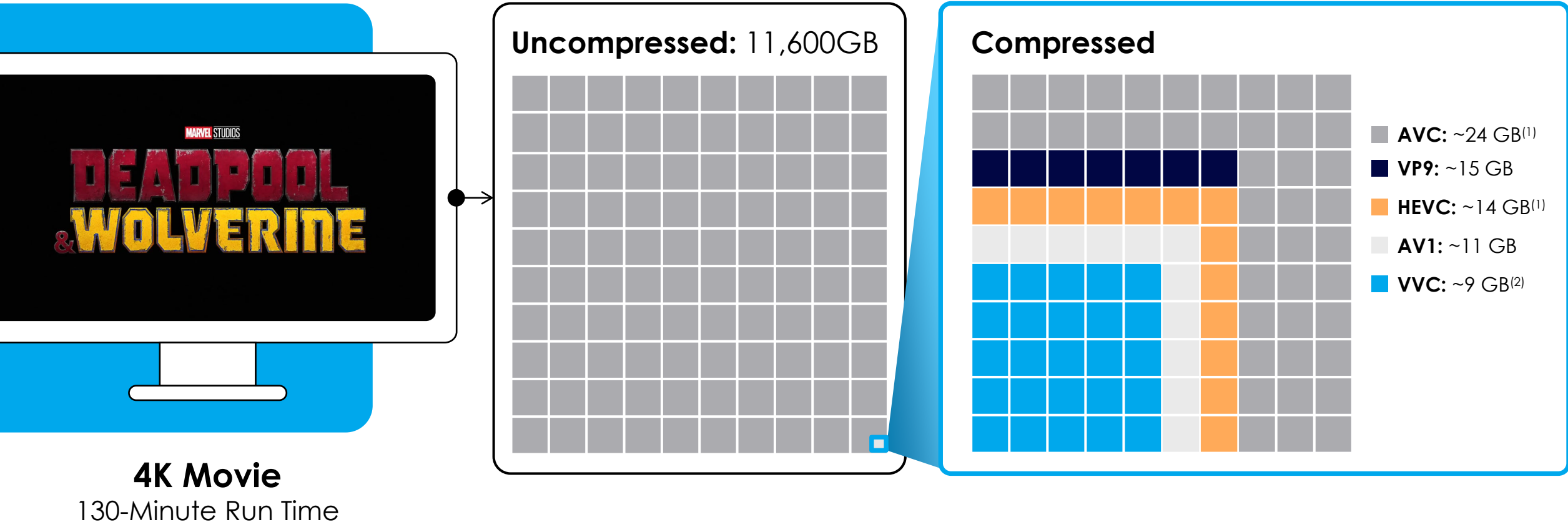
InterDigital Tech Underpins Surging Mobile Traffic

Video Drives Surge in Mobile Data Traffic

Estimated global media traffic by application category (in exabytes per month)*



Our Innovations Help Drive Video Codec Evolution



⁽¹⁾ <http://www.iam-media.com/litigation/what-will-tv-cost-you-putting-price-hevc-licences>

⁽²⁾ Approximated based on the result from 3GPP document https://www.3gpp.org/ftp/Specs/archive/26_series/26.955/26955-h00.zip

Source: Counterpoint, WINXDVD



The Power of the Global Standards System



CONSUMERS

A global system of standards helps ensure interoperability



IMPLEMENTERS

Standards like 5G lower barriers to entry for new entrants into a market like smartphones and benefit from economies of scale



OPERATORS AND SERVICE PROVIDERS

Standards increase system capacity and lower the total cost of ownership

InterDigital Drives Standard Development



UNITING PRINCIPLES

Strong belief in global standards

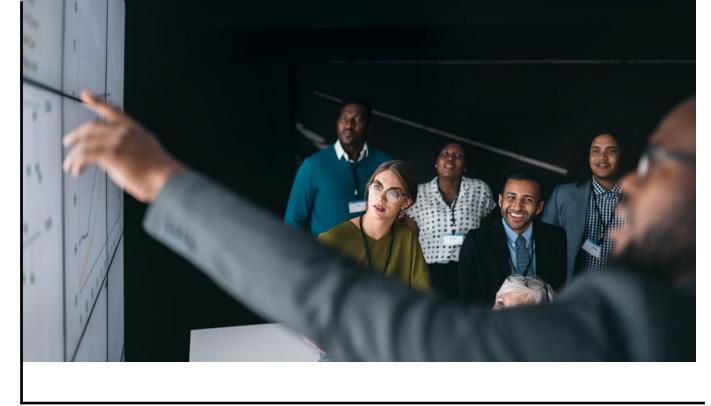
Focus on technology merits and neutral on product implementation decisions



STRONG LEADERSHIP

Participate in 100+ standard development organizations (SDO)

Hold more than 100 leadership positions in these SDOs



BROAD COLLABORATIONS

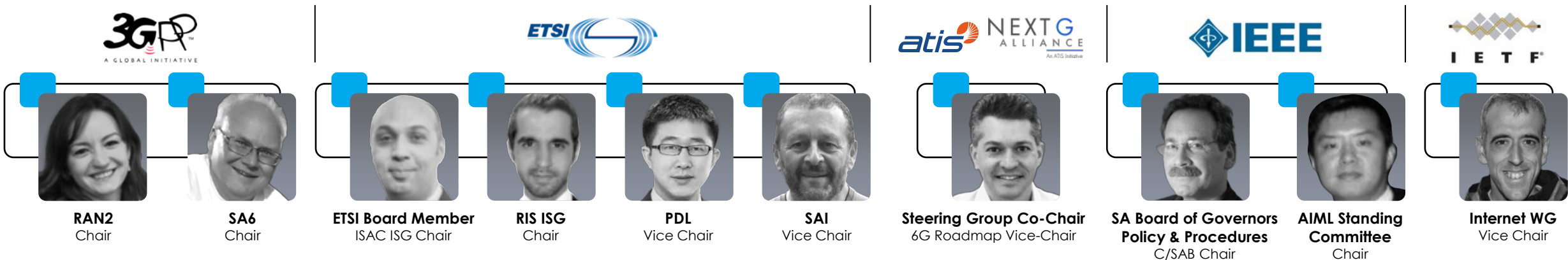
Collaborate with many industry partners and leading universities

Our technologies benefit the whole eco-system: billions of devices and many cloud-based services each year

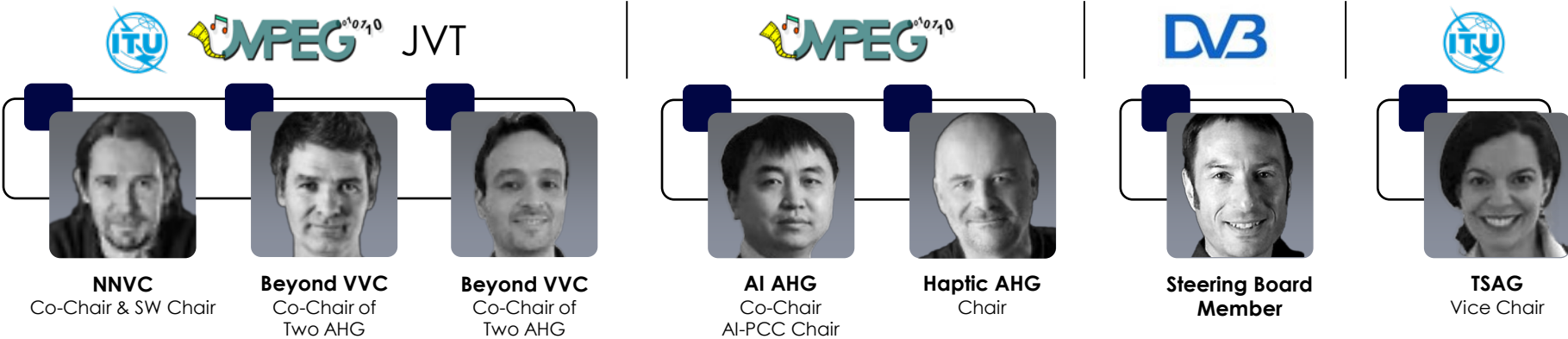


We Have Many Standard Development Leadership Positions

Cellular & WiFi Standards



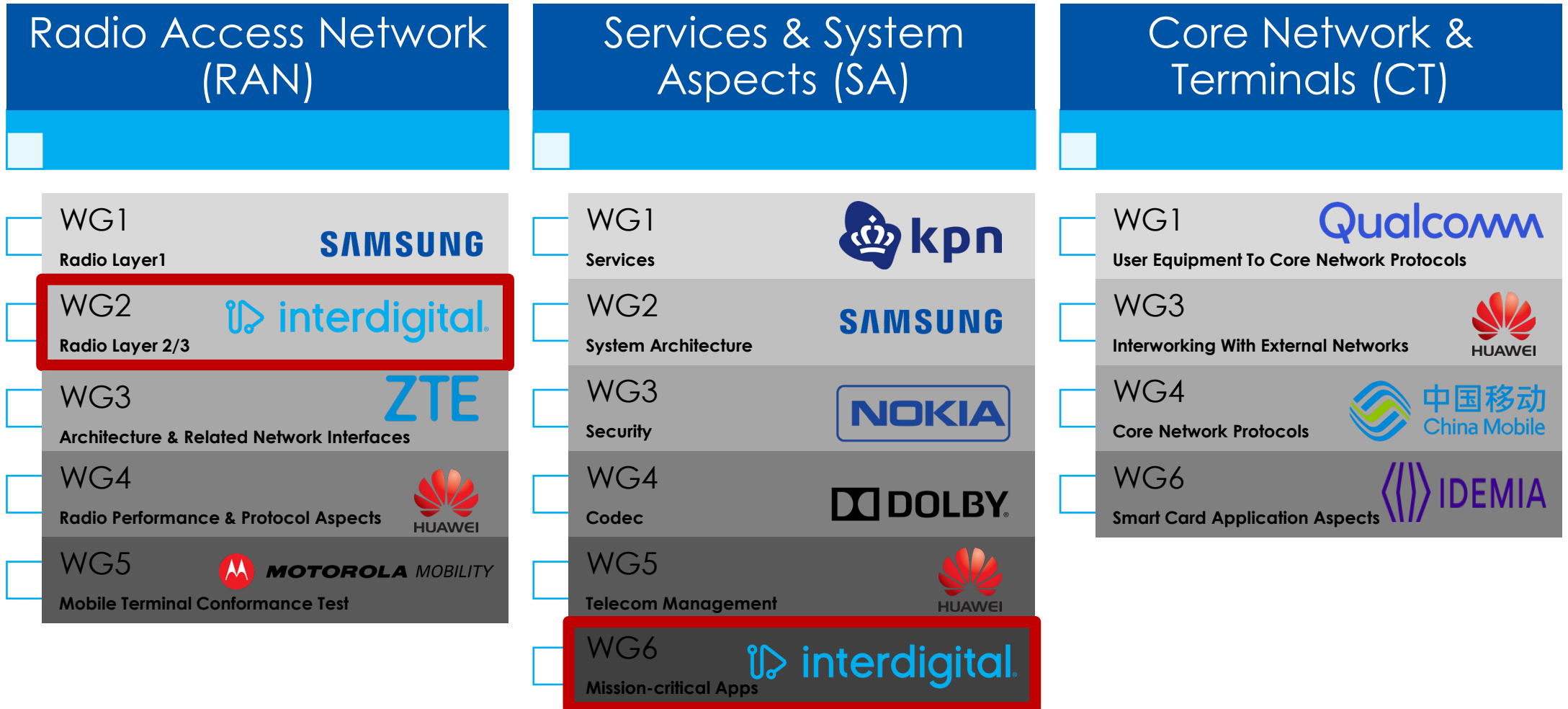
Video Standards



Sphere of Influence Growing: More than 100 Leadership Positions in Wireless & Video Standards



One Of Only Three Companies with Multiple 3GPP Chair Positions



InterDigital is a Recognized Global Innovation Leader

For the fourth year in a row, LexisNexis recognized InterDigital amongst the **World's 100 Most Innovative Business.**

Innovation Momentum 2025: The Global Top 100, **“represents the world’s leading patent owners with the highest innovation momentum.”**

2022:

Intellectual Property Solutions	 LexisNexis	4
Innovation Momentum 2022: The Global Top 100		

2023:


The 2023 Global Top 100			New entrants to the 2023 Top 100 list	
The Top 100 in alphabetical order, the headquarters location, and its industry sector.				
Patent Owner	HQ	Industry		
Boehr	US	Pharmaceuticals	Japan Tobacco Japan's leading tobacco and vaping company. The former of Camel cigarettes outside the U.S., it is known for developing treated tobacco sticks.	
Infinnan Technologies	DE	Semiconductors	Asahi Pharmaceutical A global pharmaceutical company in Japan focused on immunologic and oncology, with products treating deep disorders and therapies, and medicines for hematologic malignancies and tumors.	
Intel	US	Semiconductors	Johnson Controls A U.S. company that is a global leader in smart buildings. It uses artificial intelligence and data analytics to develop autonomous heating, cooling, and other building systems.	
Intel Digital	US	Technology R&D	Korael A U.S.-based technology company that creates brain-machine interfaces, leveraging the strengths of TD-INDG into their products.	
Intellectual Surgical	US	Medical Technologies	Kia A multinational automobile manufacturer based in South Korea. It leverages its investment in technological innovation to provide drivers with experiences in safety, connectivity, and full autonomy.	
Japan Tobacco	JP	Consumer Goods	Korea Tobacco & Ginseng The leading South Korean tobacco company that also develops pharmaceuticals, medical supplies, food and beverages, and more.	
Jazz Pharmaceuticals	IE	Pharmaceuticals	Kyocera A Japanese ceramics and electronic manufacturer of solar power generating systems, mobile phones, printers, LCDs, and more.	
Johnson & Johnson	US	Pharmaceuticals		
Johnson Controls	US	Complementary		
Juul Labs	US	Consumer Goods		
Korael	US	Medical Technologies		
Kia	KR	Automotive		
Korea Tobacco & Ginseng	KR	Consumer Goods		
Kyocera	JP	Electronics		
Len Research	US	Semiconductors		
Largan Precision	TW	Engineering		
LG Chem	KR	Chemicals and Materials		
LG Electronics	KR	Electronics		
Macrotec	TW	Semiconductors		
Maple Leaf	US	Electronics		

U.S. Global Patent, R&D, Commercial, IP Japan, KR, Taiwan, K&R, South Korea, TW, Taiwan

LexisNexis/Ip.com

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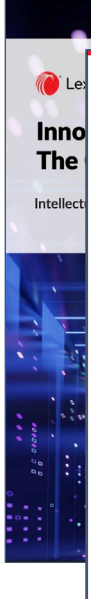
2024:



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The 2024 Global Top 100

The Top 100 in alphabetical order, the headquarters location and its industry sector.

Patent Owner	HQ	Industry
Intel	US	Semiconductors
Intella Therapeutics*	US	Pharmaceuticals
InterDigital	US	Technology/R&D
Inuitive Surgical	US	Medical Technologies
Japan Tobacco	JP	Consumer Goods
Jiangsu Hengshi Pharmaceuticals*	CN	Pharmaceuticals
Johnson & Johnson	US	Pharmaceuticals
Juniper Networks*	US	Information Technologies
Kia	KR	Automotive
KLA*	US	Semiconductors
Korea Tobacco & Ginseng	KR	Consumer Goods
LAN Research	US	Semiconductors
LG Chem	KR	Chemicals and Materials
LG Electronics	KR	Electronics
Lumina*	IL	Electronics
Macronix	TW	Semiconductors
Magi Leap	US	Electronics
Maximo	US	Medical Technologies
Medallix	TW	Semiconductors
Medtronic	IE	Medical Technologies

*New to the Top 100

'Re-entered the Top 100

Intella Therapeutics

A U.S.-based pharmaceutical company that focuses on pursuing the development of novel, potentially curative therapeutics addressing CRISPR-Cas9-based technologies.

Jiangsu Hengshi Pharmaceuticals

A China-based pharmaceutical company engaged in the development and commercialization of innovative and high-quality drugs, including oncology and surgical drugs, as well as interventional imaging solutions in China.

Juniper Networks

A U.S.-based networking and cybersecurity solutions company focused on AI networking, cloud and connected security solutions.

KLA

A U.S.-based company that develops and manufactures equipment and services for process control using advanced inspection tools, metrology systems and computational analytics.

Lumina

An Israeli company that creates transparent display for smart-goggles and head-mounted displays that transforms the way people interact with reality.

US: United States; JP: Japan; CN: China; KR: South Korea; IL: Israel; TW: Taiwan; IE: Ireland

LexusInnov@t.com

Innovation Momentum 2024: The Global Top 100

8

2025:

Inno The Intellect

The Top 500 companies in alphabetical order, the global headquarters location, its industry sector and its appearances in the Innovation Momentum report.

Innovation Momentum 2025: The Global Top 500

Patent Owner	HQ	Industry	Years Featured
Intel	US	Semiconductors	1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
InfineonDigital	US	Technology R&D	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Initiative Surgical	US	Medical Technologies	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Japan Tobacco	JP	Consumer Goods	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
JFE Holdings	JP	Engineering	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Johnson & Johnson	US	Pharmaceuticals	1998 2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Juniper Networks	US	Information Technologies	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
KLA	US	Semiconductors	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Kakuhachi Electric	JP	Semiconductors	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
KT&G	KR	Consumer Goods	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
L'Oréal	FR	Consumer Goods	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Lam Research	US	Semiconductors	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
LG Chem	KR	Chemical and Materials	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
LG Electronics	KR	Electronics	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Magi Leap	US	Electronics	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Maxim Corp.	US	Medical Technologies	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Mediatek	TW	Semiconductors	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Medtronic	IE	Medical Technologies	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Meta	US	Information Technologies	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024
Mundeva Therapeutics	US	Pharmaceuticals	2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022 2024

New entrants to the 2025 Top 500 list

JFE Holdings

A Japanese corporation that operates in the steel manufacturing industry, providing a range of steel products and engineering services.

Kakuhachi Electric

A Japanese company specializing in semiconductor manufacturing equipment, providing solutions for the global electronics industry.

KT&G

A French multinational cosmetics and beauty company, known for its wide range of skincare, haircare, makeup, and fragrance products.

US: United States; JP: Japan; FR: France; KR: South Korea; TW: Taiwan; IE: Ireland

LeapIntellect.com

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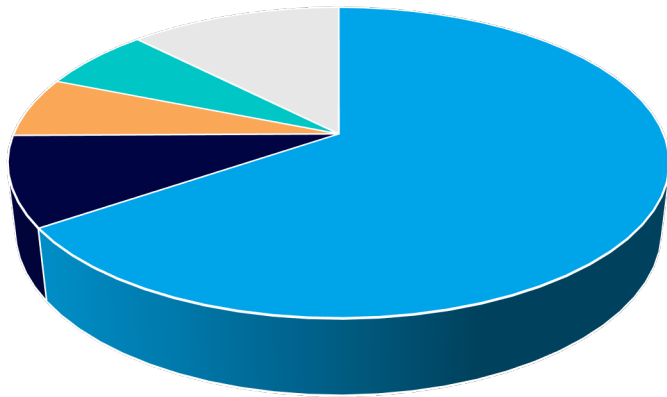


Innovation Engine Fuels Evergreen IP Portfolio

Our patent portfolio **grew > 70%** between 2017 & 2025 with the **addition of video & DTV** related technologies and continuing growth of wireless assets

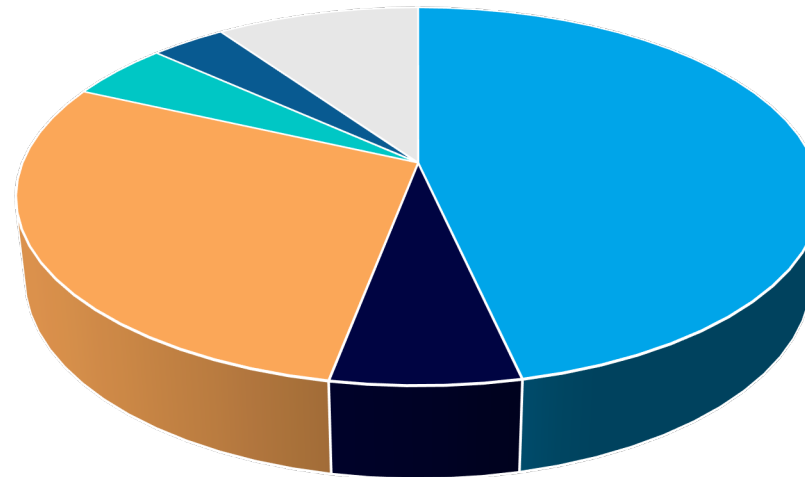
2017:

~19,000 Assets



2025:

~34,000 Assets



Portfolio is evergreen, growing by ~6 new patents each day

Cellular WiFi Video Broadcast & Home Network DTV Implementation

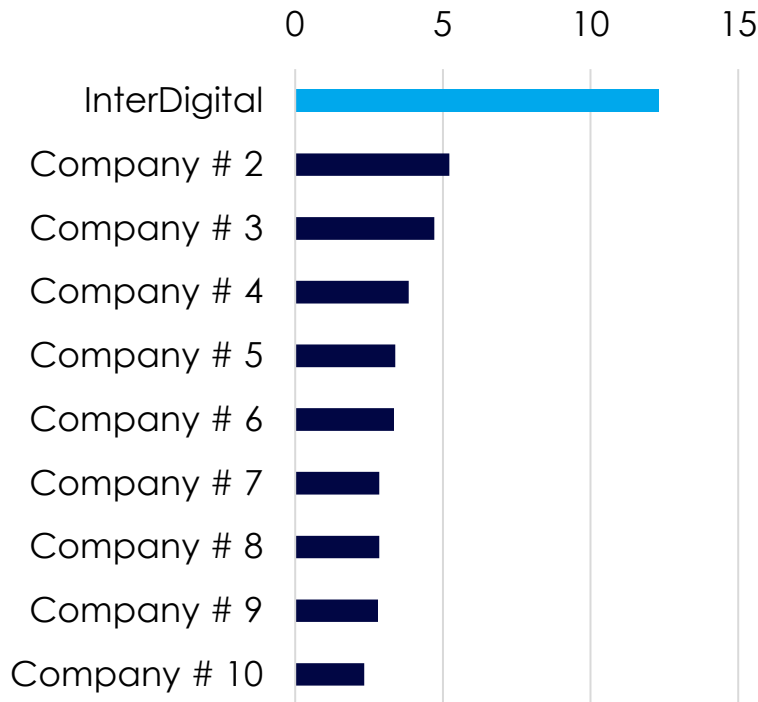


InterDigital Ranks Among the Highest in Patent Quality for 5G, Video Codec, and WiFi Patents

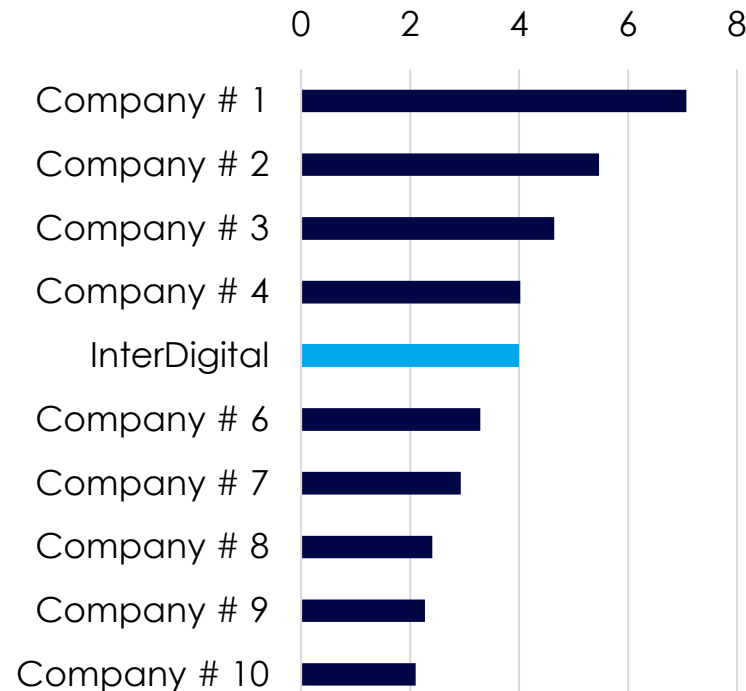


Average Competitive Impact

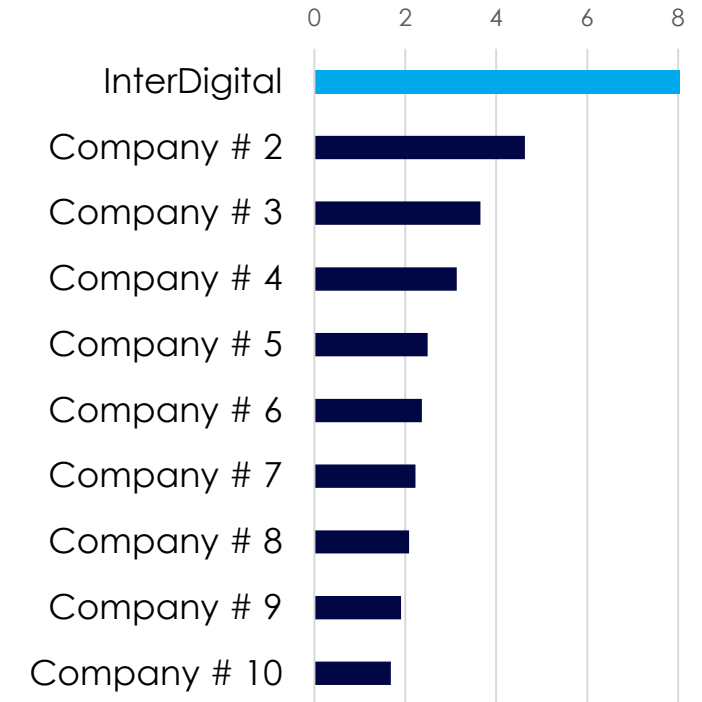
5G Patent Holders



Video Codec Patent Holders



WiFi Patent Holders



Source: LexisNexis PatentSight Jan 2025, top 10 Patent Asset Index owners

5G = 5G 3GPP ETSI declared, Video Codec = HEVC, VVC, AVC LexisNexis classification, WiFi = WiFi 4, WiFi 5, WiFi 6 LexisNexis classification

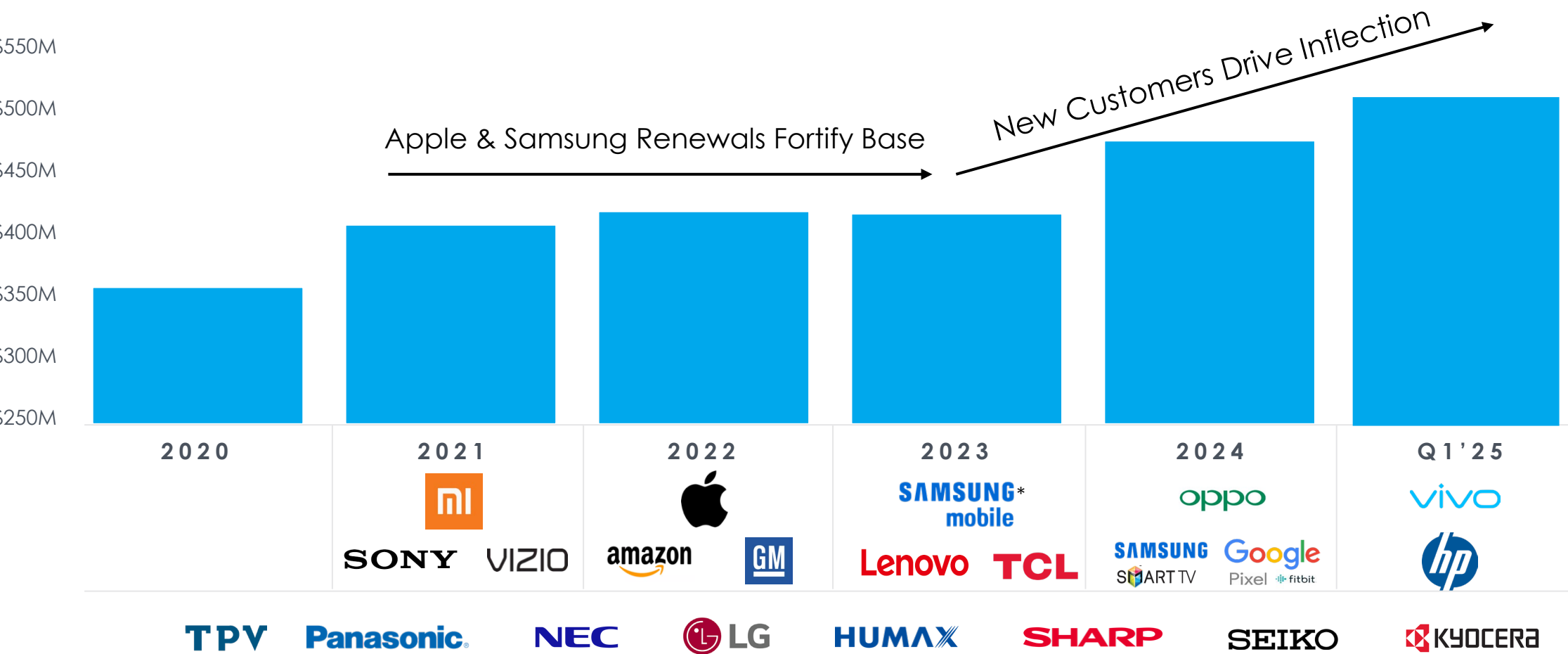


Accelerating Business Momentum



Licensing Success Drives ARR^a Growth

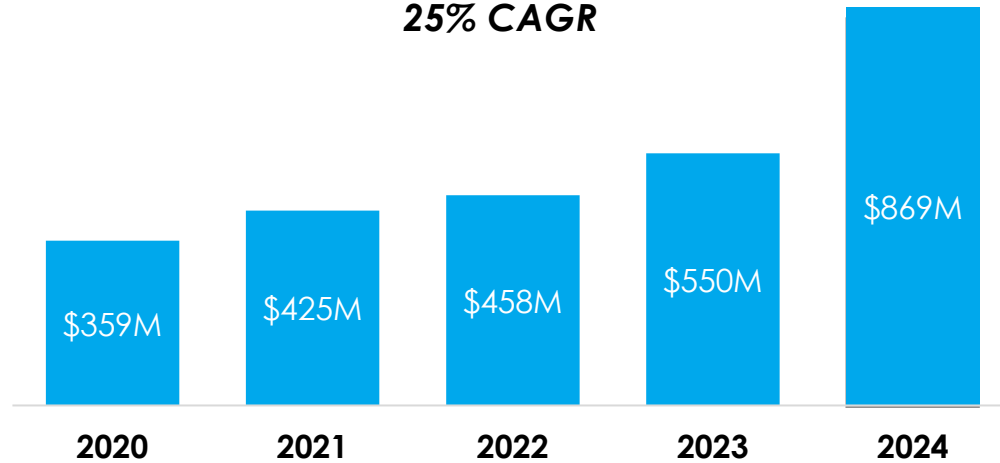
More than 40 licenses with TCV > \$3.6B closed since the start of 2021



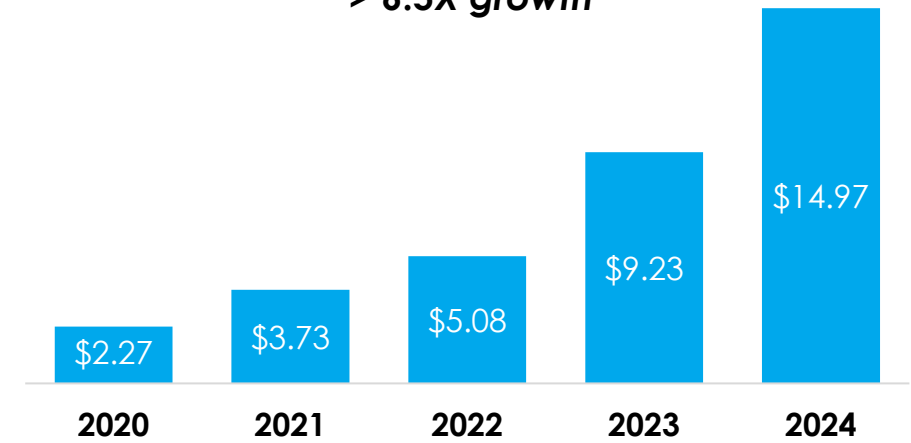
^aCurrently in binding arbitration to set royalty a Please see appendix for a description of this metric and how it is calculated

Strong Revenue Growth, Margins and Return of Capital

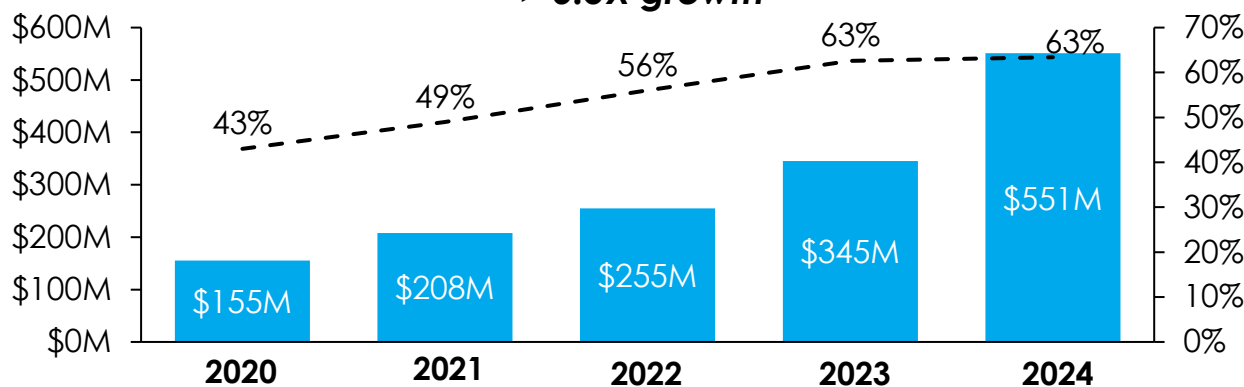
Revenue
25% CAGR



Non-GAAP EPS^a
> 6.5X growth

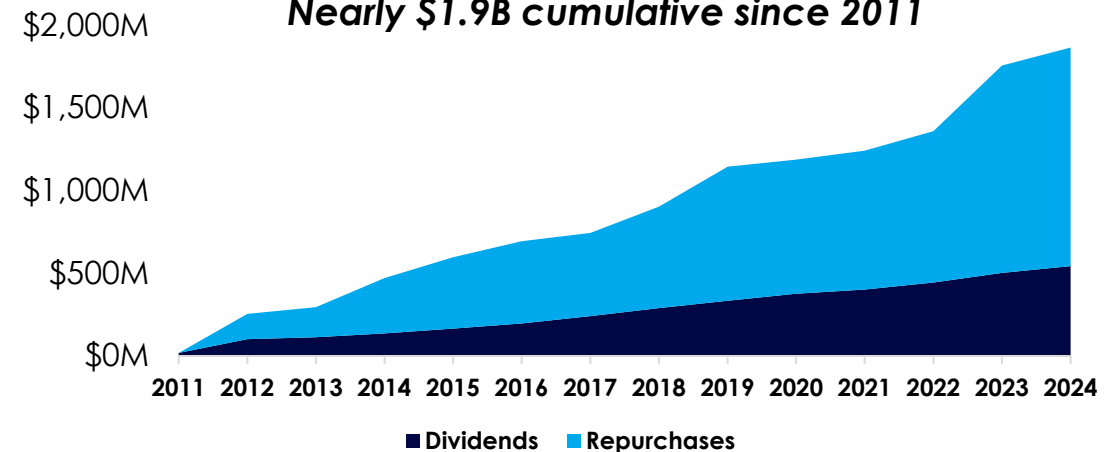


Adjusted EBITDA^a
> 3.5X growth



----- Adj EBITDA Margin^a

Return of Capital
Nearly \$1.9B cumulative since 2011



■ Dividends ■ Repurchases



Long-term Growth Strategy



Our Technologies Benefit the Economy and the World


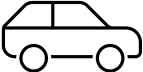
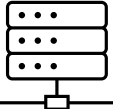
5.6 billion people globally subscribed to a mobile service, including 4.7 billion who used the mobile internet

Mobile technologies and services generate **\$5.7 trillion economic value, 5.4% of global GDP**

Enables **35 million jobs** across the wider mobile ecosystem

5G is projected to **add nearly \$1 trillion to the global economy in 2030**

We Address Three Attractive Markets

Market	2025E TAM	'25 – '28E CAGR	Significant Customers	Key Market Dynamic
 SMARTPHONES	~1.3B Units (~\$470B)	~3%	<10	Increasing concentration of top OEMs
 CE, IoT/AUTO	~1.6B Units (~\$400B) ¹	~6%	~100	High shipment growth with fragmentation across segments
 CONTENT & CLOUD SERVICES	~\$430B	~8%	<20	High growth with increasing focus on profitability

Sources: Counterpoint Research, OMDIA

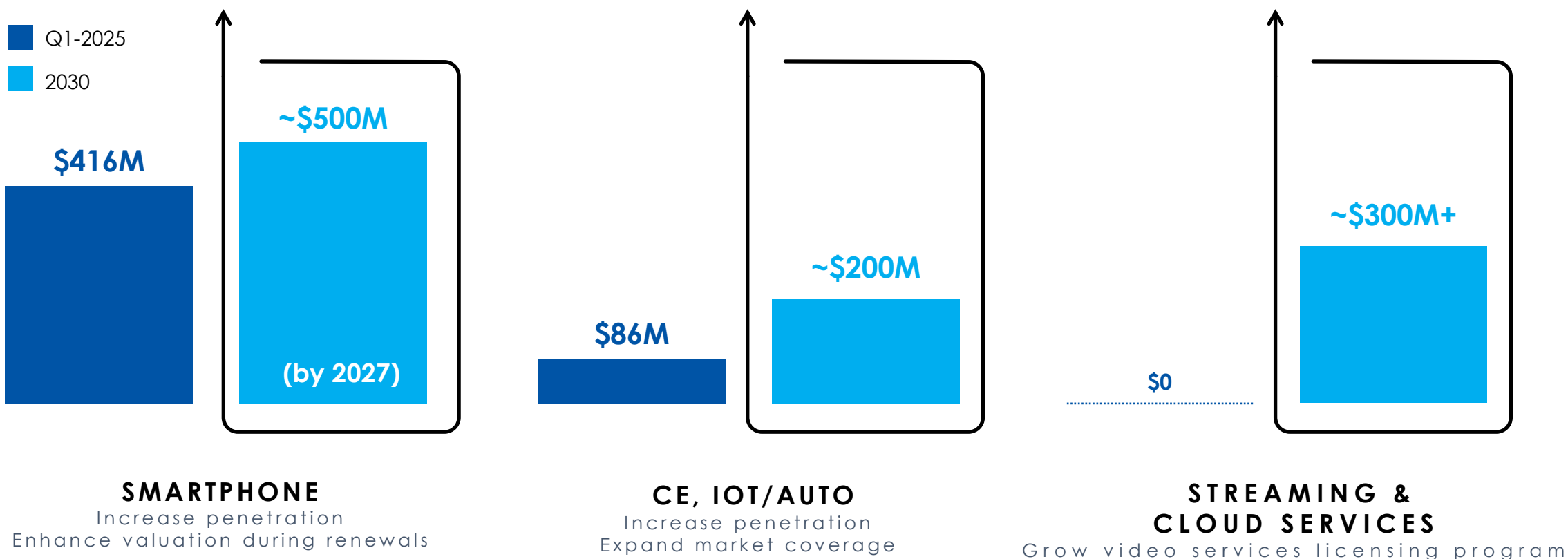
¹ Includes only value for Consumer Electronics and IoT Devices



Clear Pathway to Growth

\$1B+

ARR^a Target | 2030



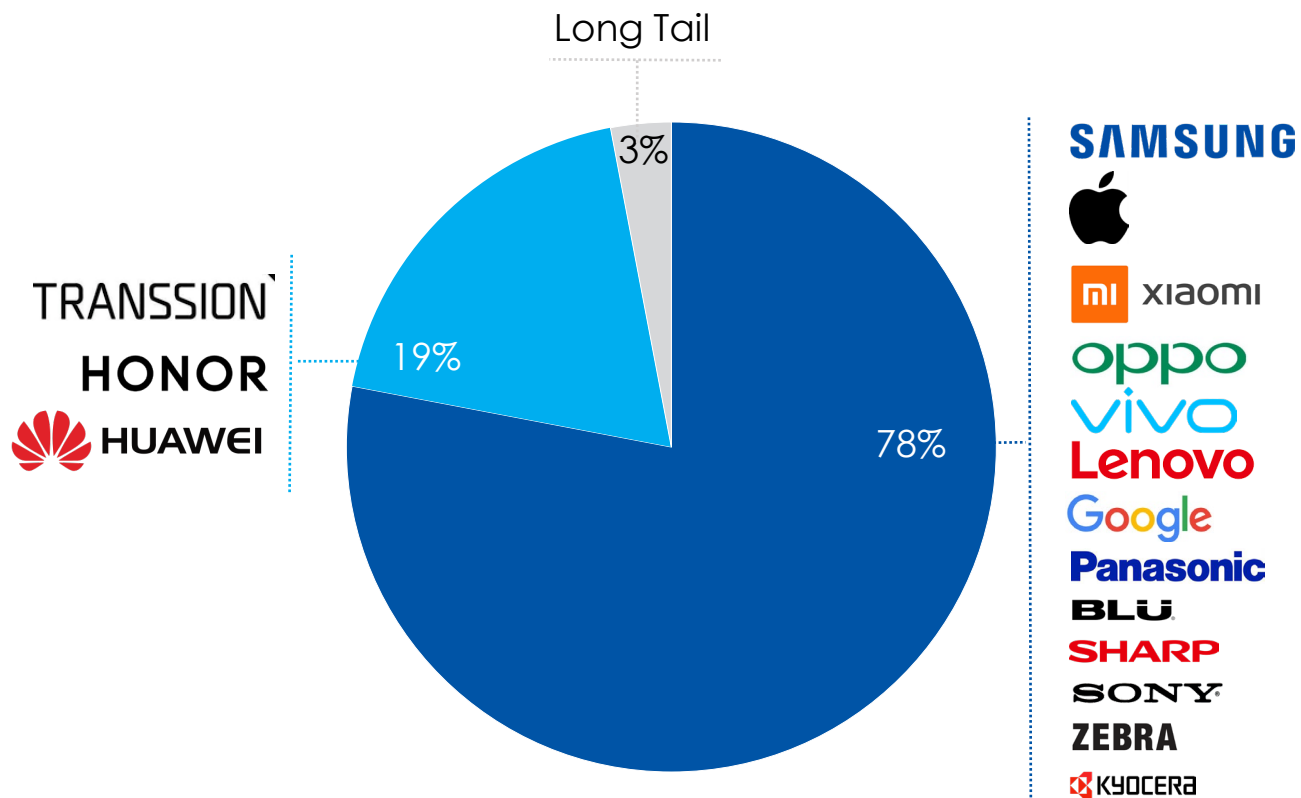
^a Please see appendix for a description of this metric and how it is calculated

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Strong Runway for Continued Smartphone Growth

SMARTPHONES GLOBAL MARKET 1.3B global device shipments 2025



- Large global market, projected to grow with 3% CAGR 2025-28
- Revenue growth from licensing remaining top OEMs
- Driving higher value from key accounts during renewal

■ Licensed¹
■ Primary Opportunity
■ Long Tail

1. Samsung and Lenovo in binding arbitration

Source: Counterpoint Research

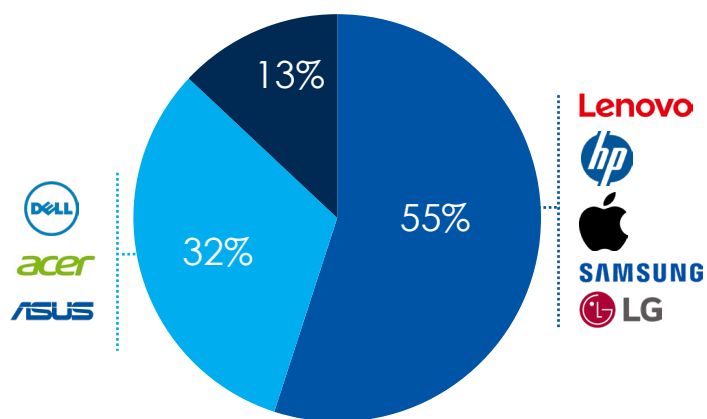


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Good Momentum in CE - Large Opportunity Remains

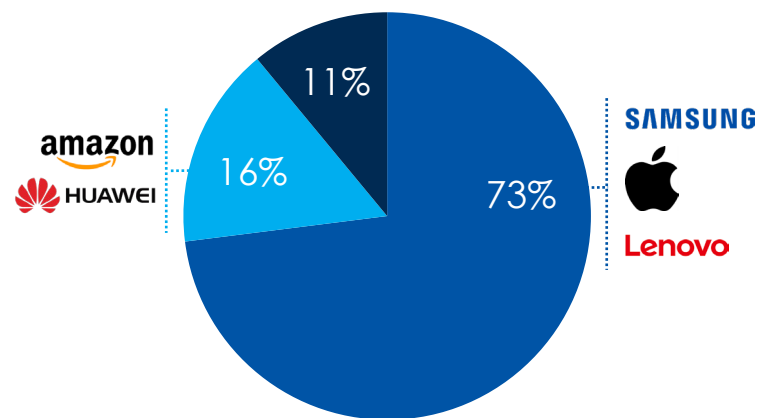
PCs: 298M 2025

% global device shipments



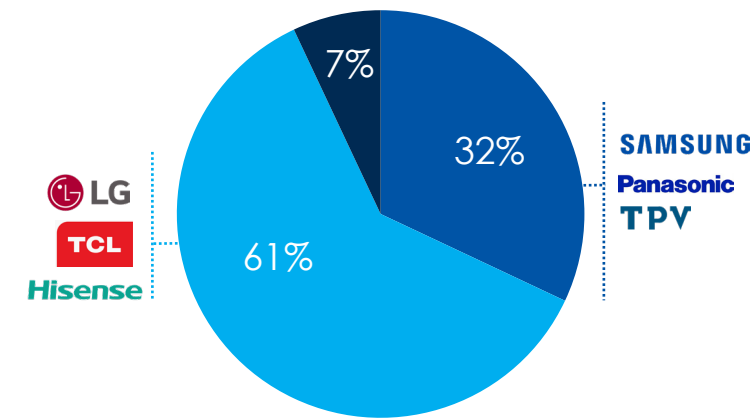
TABLETS: 121M 2025

% global device shipments



TVs: 214M 2025

% global device shipments



■ Licensed ■ Primary Opportunity ■ Long Tail

Deals with major OEMs such as Apple, Samsung, Lenovo, HP, LG

Approx. **50% licensing coverage** across these sectors, aiming to grow

Proof of our robust video coding portfolio, including **HEVC patents that have driven successful outcomes with enforcement**

Licensing coverage based on HEVC - e.g. Amazon licensed for WLAN
Source: Omdia

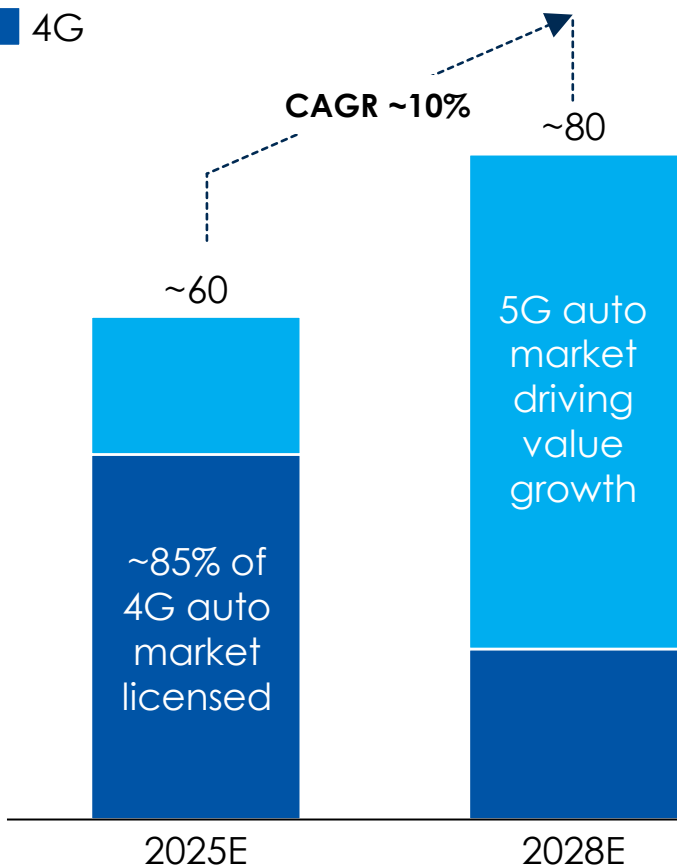


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Strong Growth Opportunity in Automotive and IoT

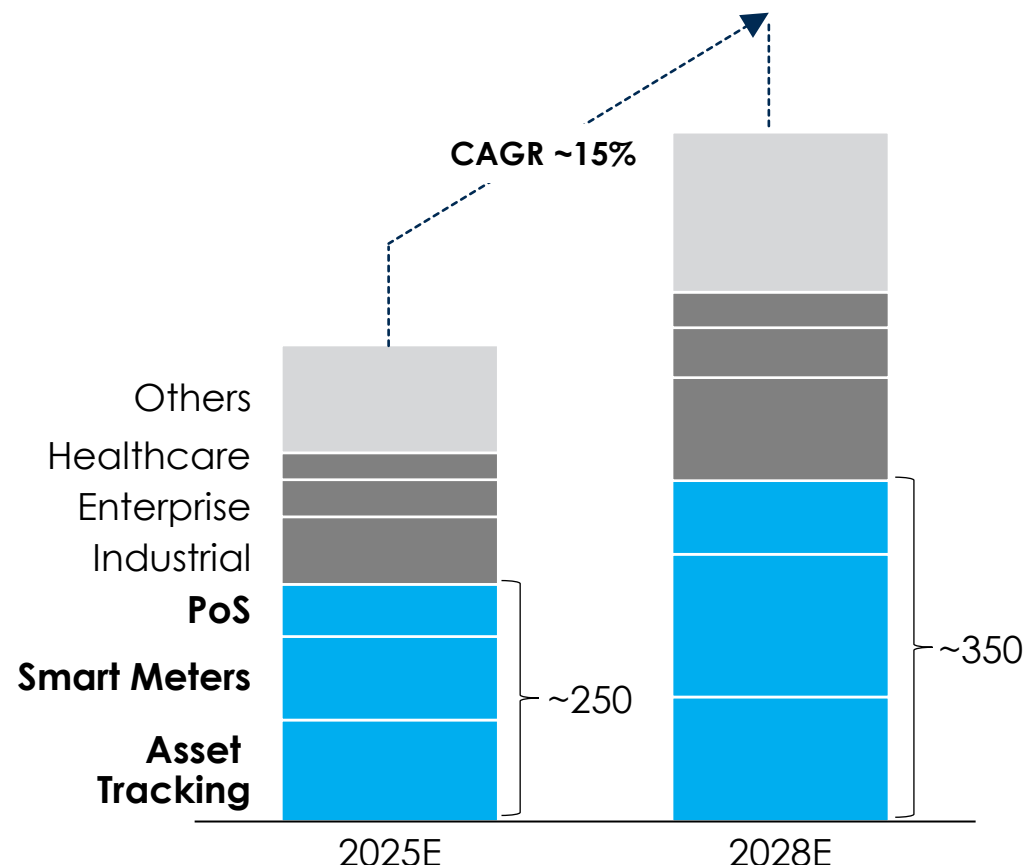
PASSENGER VEHICLE SHIPMENTS (M)

5G
4G



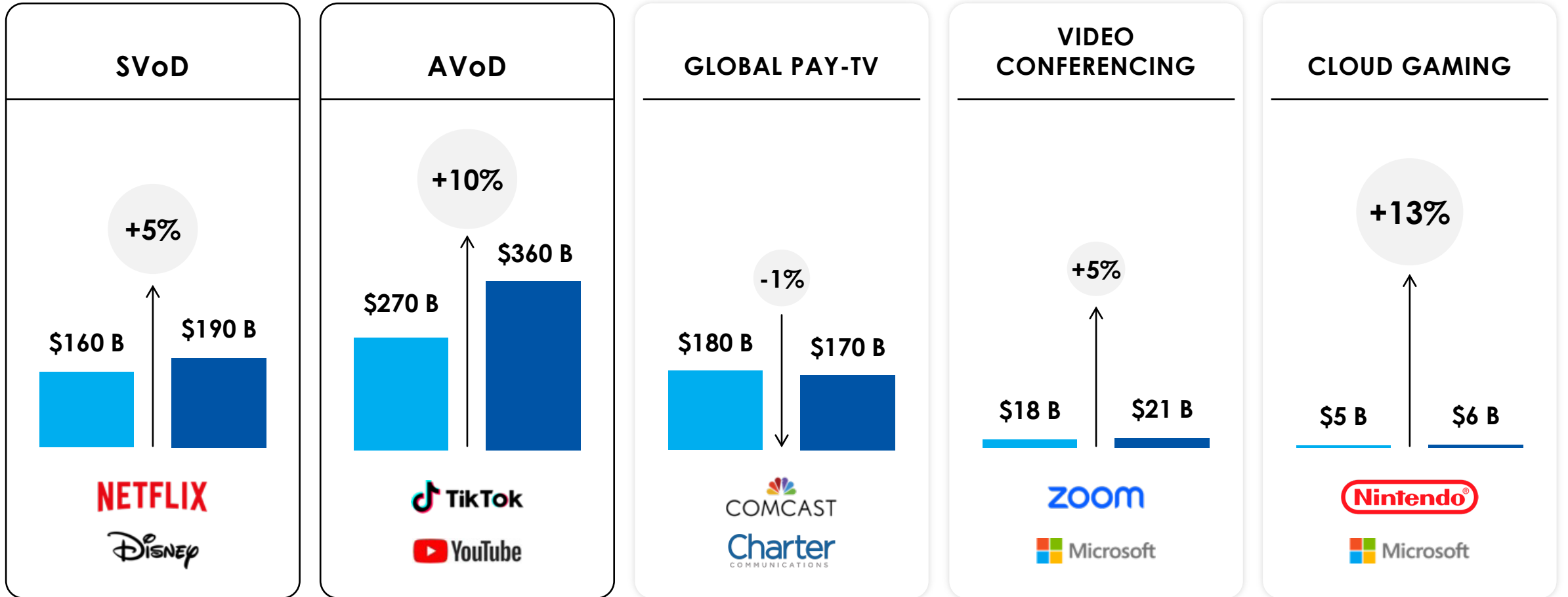
CELLULAR IOT SHIPMENTS (M)

Active Licensing Program



SVoD and AVoD Are Our Focus Verticals

■ 2025 TAM ■ 2028 TAM ● TAM CAGR



Source: OMDIA



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Capital Allocation Priorities



Maintain **fortress balance sheet**

Financial strength is a strategic asset



Organic investment in business

Prioritize investment into research and IP portfolio



Inorganic investment

Opportunistic and strategic



Return **Excess cash** to shareholders

\$1.3B+ in share repurchases since '11

Dividend increase of 33% announced Feb '25

Strong cash flow maintains balance sheet strength, funds organic investment in research, and enables significant share reduction



Target Financial Model for 2030

\$1B+ ARR^a

14%+

Annual
Growth
Target

Powerful Operating
Leverage drives

60%+

Adjusted
EBITDA
Margin^b
Target

High Margin Drives
Strong Cash Flow

\$600M+

Adjusted
EBITDA^b
Target

Well
positioned
to drive
value going
forward

^a Please see appendix for a description of this metric and how it is calculated

^b Non-GAAP financial measure. Refer to appendix. Calculated based on an assumed 60% Adjusted EBITDA margin.



Key Takeaways



World-class leadership and functional teams across the board



Accelerating momentum for R&I, standard development, patent portfolio creation and licensing driven by continuing investment and strong execution



Our technologies are critical to devices and services of multiple industries, giving us **large addressable markets**



We have a clear strategy, a world-class team and the operational discipline to drive the **growth of ARR^a to \$1B+ target by 2030**

^a Please see appendix for a description of this metric and how it is calculated



Appendix



Supplemental Metrics

Annualized recurring revenue ("ARR") for any quarter is defined as total revenues for the quarter less catch-up revenues for the quarter, multiplied by four. Management believes ARR provides useful information about our financial performance, and our progress toward our 2030 targets. ARR is not a projection or forecast, and actual recurring revenues for any 12-month period will depend on a number of factors beyond our ability to predict or control, including those risks and uncertainties listed above. Additionally, ARR may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

Adjusted EBITDA and Adjusted EBITDA margin are supplemental non-GAAP financial measures that InterDigital believes provide investors with important insight into the Company's ongoing business performance. InterDigital defines Adjusted EBITDA as net income attributable to InterDigital Inc. plus net loss attributable to non-controlling interest, income tax (provision) benefit, other income (expense) & interest expense, depreciation and amortization, share-based compensation, and other items. Other items include restructuring costs, impairment charges and other non-recurring items. Adjusted EBITDA margin is Adjusted EBITDA over total revenues. These non-GAAP financial measures used by the company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. The presentation of these financial measures, which are not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. A reconciliation of each of these metrics to its most directly comparable GAAP financial measure is provided below.

Non-GAAP net income, Non-GAAP earnings per share ("EPS"), and Non-GAAP weighted-average dilutive shares are supplemental non-GAAP financial measures that InterDigital believes provides investors with important insight into the Company's ongoing business performance. InterDigital defines Non-GAAP net income as net income attributable to InterDigital, Inc. plus share-based compensation, acquisition related amortization, depreciation and amortization, restructuring costs, impairment charges and one-time adjustments, losses on extinguishments of long-term debt, the related income tax effect of the preceding items, and adjustments to income taxes. Non-GAAP EPS is defined as Non-GAAP net income divided by Non-GAAP weighted average number of common shares outstanding—diluted, which adjusts the weighted average number of common shares outstanding for the dilutive effect of the Company's convertible notes, offset by our hedging arrangements. InterDigital's computation of these non-GAAP financial measures might not be comparable to similarly named measures reported by other companies. The presentation of these financial measures, which are not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. A reconciliation of each of these metrics to its most directly comparable GAAP financial measure is provided below.

Free cash flow is a supplemental non-GAAP financial measure that InterDigital believes is helpful in evaluating the company's ability to invest in its business, make strategic acquisitions and fund share repurchases, among other things. A limitation of the utility of free cash flow as a measure of financial performance is that it does not represent the total increase or decrease in the company's cash balance for the period. InterDigital defines free cash flow as net cash from operating activities less purchases of property and equipment and capitalized patent costs. InterDigital's computation of free cash flow might not be comparable to free cash flow reported by other companies. The presentation of free cash flow, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. A reconciliation of free cash flow to net cash from operating activities, the most directly comparable GAAP financial measure, is provided below.



Non-GAAP Reconciliation

(In millions)

Net income attributable to InterDigital, Inc.

Net loss attributable to non-controlling interest
Income tax (provision) benefit
Other income (expense) & interest expense
Depreciation and amortization
Share-based compensation
Other operating items

Adjusted EBITDA

Adjusted EBITDA Margin

Other Operating Items

Restructuring
Other non-cash charges
Non-Recurring Personnel-Related
Net Litigation Fee Reimbursement

Total Other Operating Items

Full Year					Three Months Ended		Outlook		
2020	2021	2022	2023	2024	Q1'24	Q1'25	Q1'25	Q2'25	Full Year 2025
\$ 45	\$ 55	\$ 94	\$ 214	\$ 359	\$ 82	\$ 116	\$94 - \$101	\$64 - \$71	\$224 - \$319
(7)	(13)	(2)	(3)	-	-	-	-	-	-
(7)	15	26	24	71	19	17	20	14	56
24	14	33	(13)	10	3	-	-	-	(2)
81	78	79	78	70	17	18	18	18	78
10	29	22	36	46	9	9	11	11	44
9	30	3	10	(4)	-	(1)	-	-	-
\$ 155	\$ 208	\$ 255	\$ 345	\$ 551	\$ 130	\$ 159	\$143 - \$150	\$107 - \$114	\$400 - \$495
43%	49%	56%	63%	63%	49%	76%	50%	66%	63%
\$ -	\$ 28	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	-	-	3	-	-	-	-	-	-
-	2	-	-	-	-	-	-	-	-
-	-	-	8	(4)	-	(1)	-	-	-
\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)	\$ -	\$ (1)	\$ -	\$ -	\$ -

NOTE: Sums may not equal total due to rounding



Non-GAAP Reconciliation

(In millions, except per share data)

Net income attributable to InterDigital, Inc.

	Full Year					Three Months Ended		Outlook		
	2020	2021	2022	2023	2024	Q1'24	Q1'25	Q1'25	Q2'25	Full Year 2025
Net income attributable to InterDigital, Inc.	\$ 45	\$ 55	\$ 94	\$ 214	\$ 359	\$ 82	\$ 116	\$94 - \$101	\$64 - \$71	\$224 - \$319
Share-based compensation	10	29	22	36	46	9	9	11	11	44
Acquisition related amortization	44	42	42	41	33	8	9	9	9	35
Other operating items	9	30	3	10	(4)	-	(1)	-	-	-
Other non-operating items	(4)	(11)	13	(14)	(2)	1	-	-	-	-
Related income tax and noncontrolling interest effect of above items	(12)	(26)	(17)	(17)	(15)	(4)	(4)	(4)	(4)	(17)
Adjustments to income taxes	(21)	(2)	(2)	(16)	(7)	(1)	(4)	-	-	-
Non-GAAP net income	\$ 70	\$ 117	\$ 155	\$ 254	\$ 409	\$ 95	\$ 126	\$110 - \$117	\$80 - \$87	\$286 - \$381

Weighted average dilutive shares - GAAP

Less: Dilutive impact of the Convertible Notes

Weighted average dilutive shares - Non-GAAP

Diluted EPS

Non-GAAP EPS

Other Operating Items

Restructuring	\$ -	\$ 28	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other non-cash charges	9	-	-	3	-	-	-	-	-	-
Non-recurring personnel-related	-	2	-	-	-	-	-	-	-	-
Net litigation fee reimbursement	-	-	-	8	(4)	-	(1)	-	-	-
Total Other Operating Items	\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)	\$ -	\$ (1)	\$ -	\$ -	\$ -

Other Non-operating Items

Fair value changes	\$ (4)	\$ (9)	\$ 2	\$ (10)	\$ (2)	\$ 1	\$ -	\$ -	\$ -	\$ -
Loss on extinguishment of debt	-	-	11	-	-	-	-	-	-	-
Other non-cash charges	-	(2)	-	(4)	-	-	-	-	-	-
Total Other Non-operating Items	\$ (4)	\$ (11)	\$ 13	\$ (14)	\$ (2)	\$ 1	\$ -	\$ -	\$ -	\$ -

NOTE: Sums may not equal total due to rounding

