



Fourth Quarter 2025 Results

February 5, 2026

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 Q1 and full year 2026, 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 fourth 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 2025 Form 10-K 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

Q4 Financial & Business Highlights

FY25 Financial & Business Highlights

Q1 and FY26 Outlook

Background on InterDigital

Appendix



Q4'25 Financial & Business Highlights



Q4 Financial Highlights

- ✓ Revenue, Adj. EBITDA^a and Diluted EPS exceed the top end of guidance range
- ✓ Annualized Recurring Revenue^b (ARR) up 24% YoY to \$582 million
 - Smartphone ARR^b up 29% to \$491 million (all-time high)
- ✓ Adj. EBITDA^a of \$88 million
- ✓ Adj. EBITDA margin^a of 56%
- ✓ Free cash flow^a of \$48 million
- ✓ Return of capital of \$54 million, including \$36 million of share repurchases



Recent Business Highlights

- ✓ Renewed our license with Xiaomi
- ✓ Signed a new license with LG Electronics covering digital TVs and computer display monitors
- ✓ Signed a new CE device license agreement with a significant social media company
- ✓ Awarded two injunctions against Disney by a court in Germany
- ✓ Launched enforcement proceedings against Amazon
- ✓ Named America's #1 most successful mid-cap company by Forbes



Q1'26 License Agreement With LG Electronics



- Multi-year agreement licenses LG's digital TVs and computer display monitors
- LG is one of the world's largest TV manufacturers
- Agreement reached through bilateral negotiation under InterDigital's joint licensing program with Sony
- Technologies covered include ATSC 3.0, Wi-Fi and certain video codecs
- Catch-up revenue of \$57 million to be recognized in Q1



Financial Results vs. Outlook

	Q4'25 RESULTS	Q4'25 OUTLOOK
Revenue	\$158.2M	\$144M - \$148M
Adjusted EBITDA^a	\$88.2M	\$68M - \$76M
Diluted EPS	\$1.20	\$0.72 - \$0.95
Non-GAAP EPS^a	\$2.12	\$1.38 - \$1.63

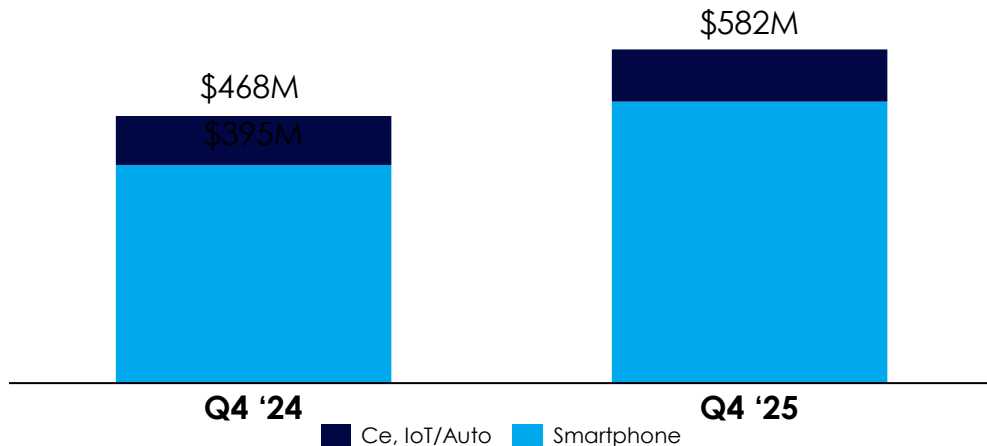
^aNon-GAAP Measure / Please see appendix for GAAP to Non-GAAP reconciliations, as well as our 2025 10-K for a sensitivity table showing the dilutive impact of our convertible notes.



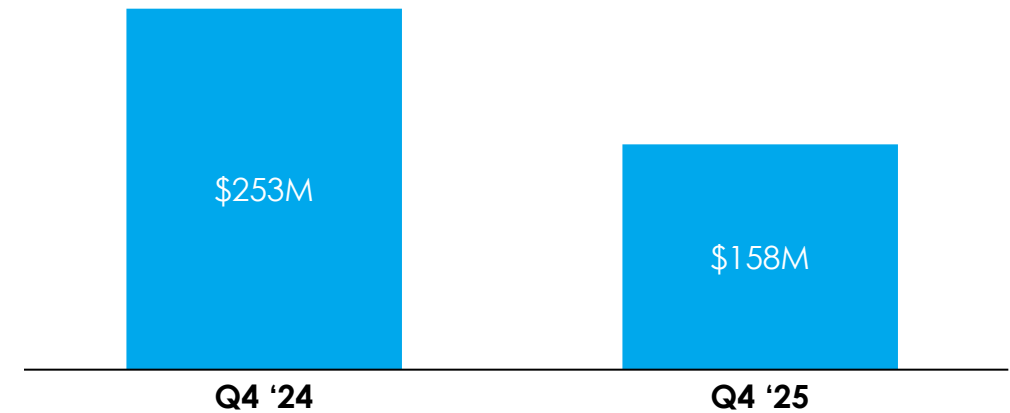
Q4'25 Results

Q4'25 revenue included \$12.6 million of catch-up revenue, compared with \$135.8 million in Q4'24
The decline in catch-up revenue drove lower Revenue, Non-GAAP EPS^b and Adjusted EBITDA^b in Q4'25

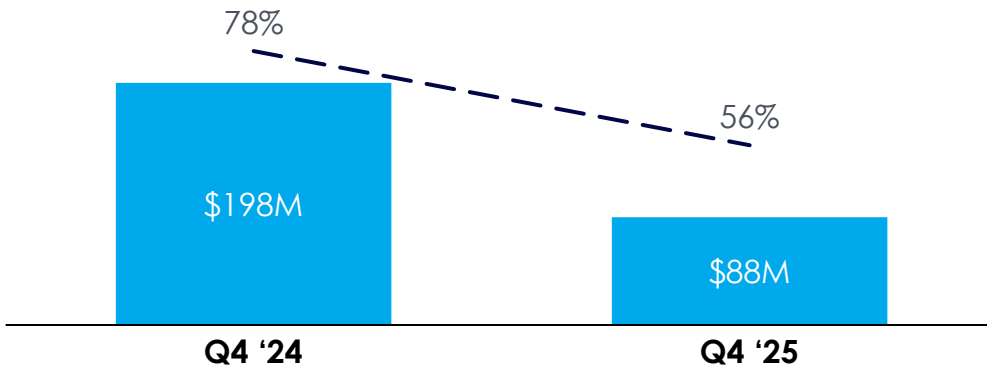
ARR^a +24% YoY



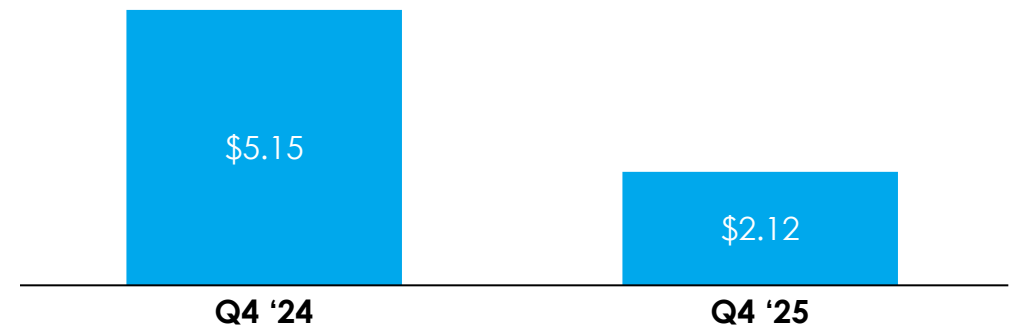
Revenue <37> % YoY



Adjusted EBITDA^b <55%> YoY



Non-GAAP EPS^b <59%> YoY



FY25 Financial & Business Highlights



FY25 Financial Highlights

- ✓ Revenue of \$834 million
- ✓ Annualized Recurring Revenue^a (ARR) of \$582 million, up 24% YoY
- ✓ Record Adj. EBITDA^b of \$589 million
- ✓ Adj. EBITDA margin^b of 71%, up 8 ppt YoY
- ✓ Record non-GAAP EPS^b of \$15.31
- ✓ Record free cash flow^b of \$474 million
- ✓ Cash balance of \$1.2 billion
- ✓ Return of capital of \$169 million



FY25 Business Highlights

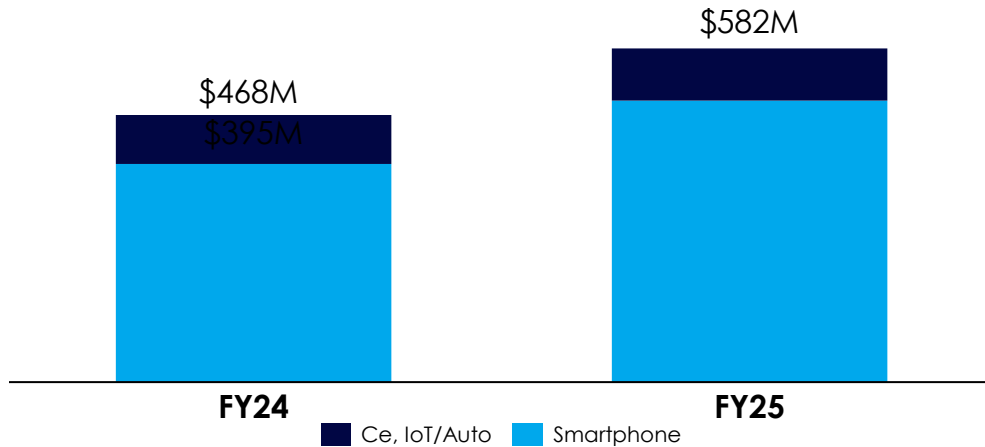
- ✓ Completed the most valuable license in our history with Samsung
- ✓ Signed new license agreements with top-ten smartphone vendors vivo and Honor, as well as HP, the world's largest PC manufacturer
- ✓ Grew our patent portfolio 14% to ~38,000 granted patents and pending applications
- ✓ Acquired video AI start-up Deep Render
- ✓ Awarded injunctions against Disney by courts in Brazil and Germany
- ✓ Appointed Julia Mattis to Chief Licensing Officer
- ✓ Recognized by Fortune, Forbes, Newsweek and Time as one of America's most successful companies



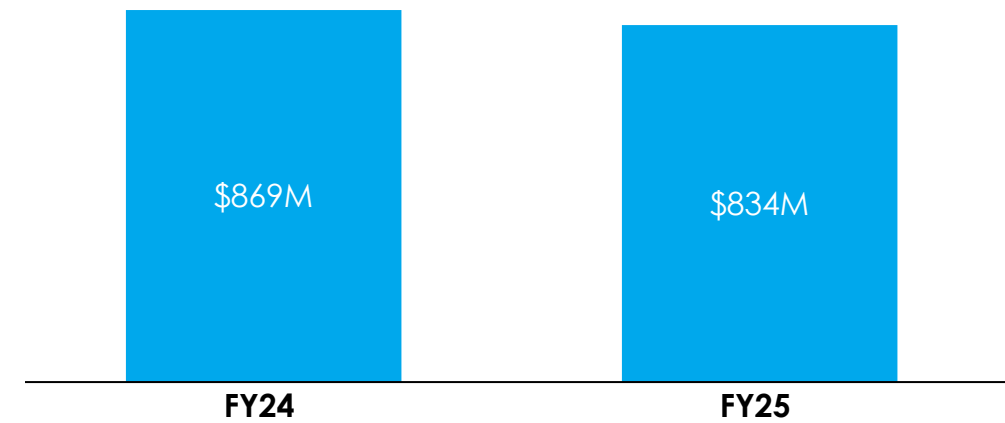
FY25 Results

FY25 revenue included \$277.4 million of catch-up revenue, compared with \$460.1 million in FY24

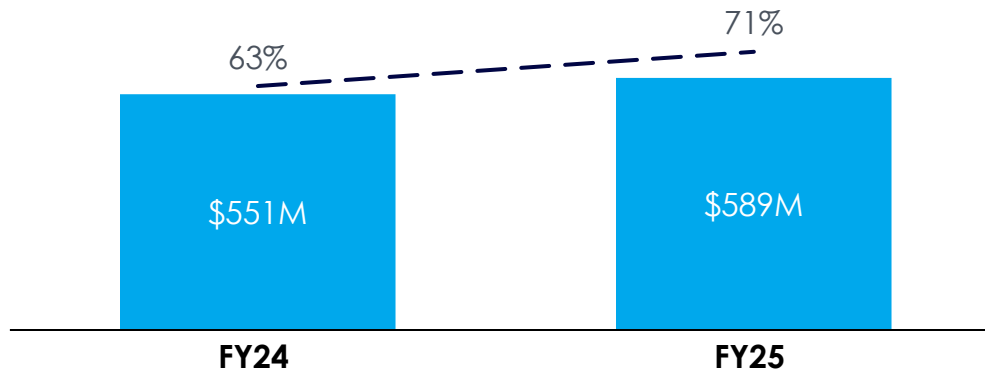
ARR^a
+24% YoY



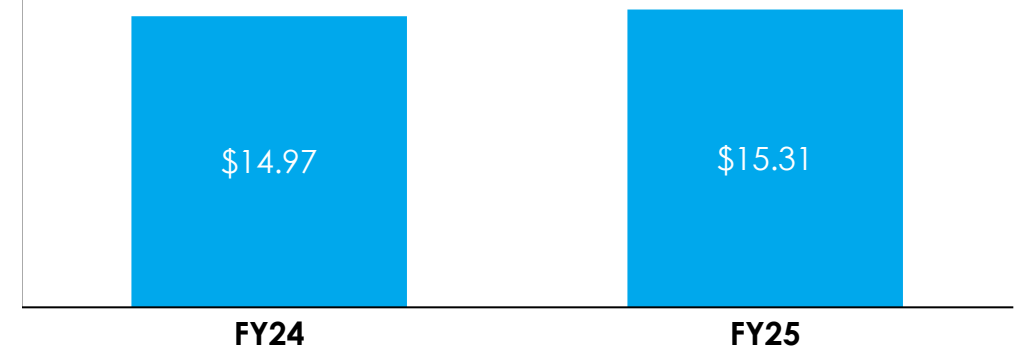
Revenue
<4%> YoY



Adjusted EBITDA^b
+7% YoY



Non-GAAP EPS^b
+2% YoY



Q1 and FY26 Outlook



Q1'26 and FY26 Outlook

(as of February 5, 2026)

	Q1'26 OUTLOOK	FY26 OUTLOOK
Revenue	\$194M - \$200M	\$675M - \$775M
Adjusted EBITDA^a	\$101M - \$110M	\$381M - \$477M
Diluted EPS	\$1.61 - \$1.86	\$5.77 - \$8.51
Non-GAAP EPS^a	\$2.39 - \$2.68	\$8.74 - \$11.84

The outlook for first quarter 2026 covers existing licenses and does not include any new agreements or enforcement action results we may sign or receive over the balance of the first quarter. The outlook for full year 2026 includes both existing licenses and the expected contributions from new agreements and/or enforcement actions we may receive over the balance of the year.

^a Non-GAAP Measure / Please see appendix for GAAP to Non-GAAP reconciliations, as well as our 2025 10-K for a sensitivity table showing the dilutive impact of our convertible notes.



Upcoming Investor Events

March 18-19

Sidoti Conference

 Virtual

March 23

Roth Conference

 Dana Point, CA



Background on InterDigital

As of February 5, 2026





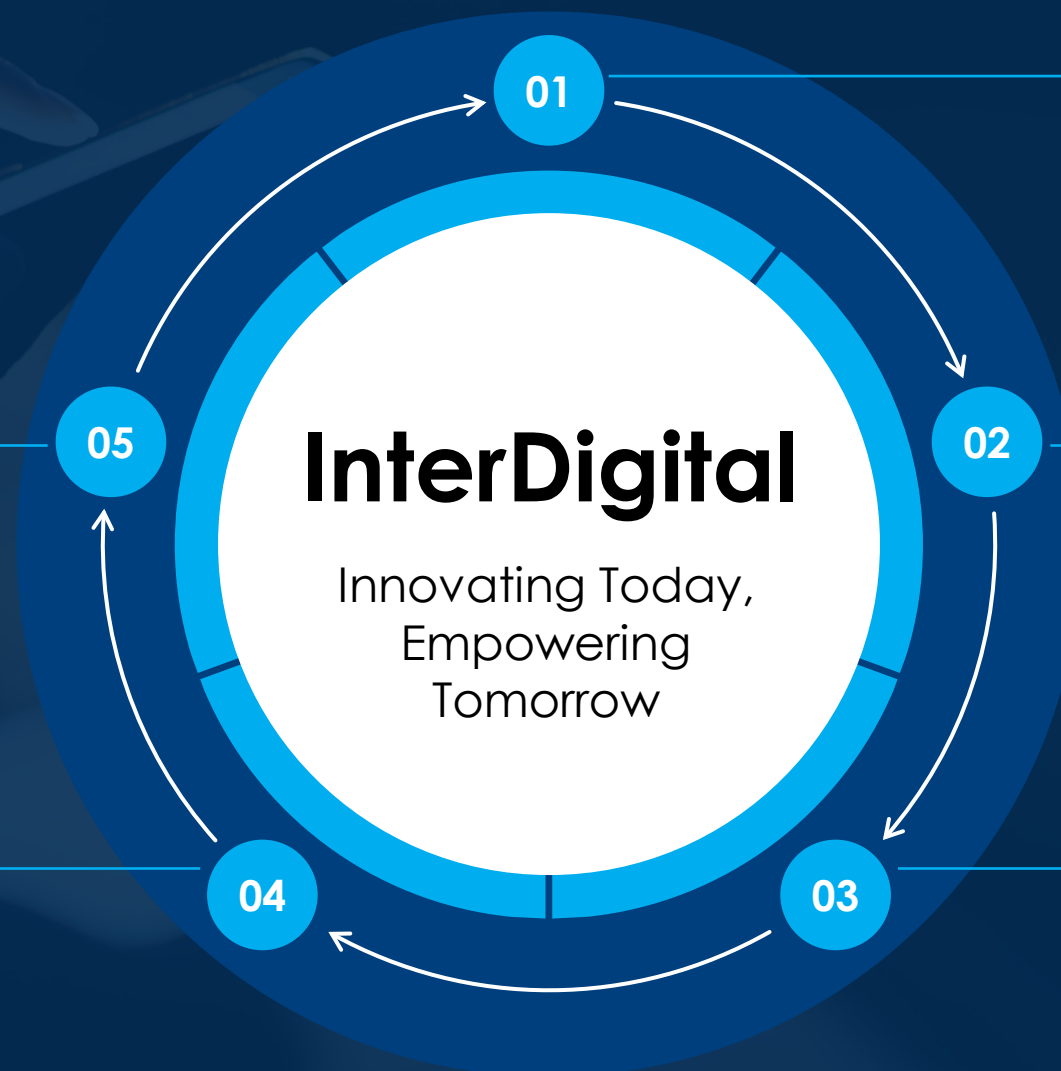
**Company
Introduction**



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 ~38,000 assets

Long-term customers

Subscription-like revenue, > \$4.6B+ in TCV* added since the start of 2021

Enabling ecosystem

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

2025 Financial Results

\$834M

Revenue

\$15.31

Non-GAAP EPS^a

71%

Adj. EBITDA Margin^a

~\$1.2B

Cash

KEY CUSTOMERS
INCLUDE:



SAMSUNG



Lenovo



*TCV = total contract value

^aNon-GAAP financial measure. Refer to non-GAAP reconciliation in appendix, as well as our 2025 10-K for a sensitivity table showing the dilutive impact of our convertible notes.



World-Class Leadership Team

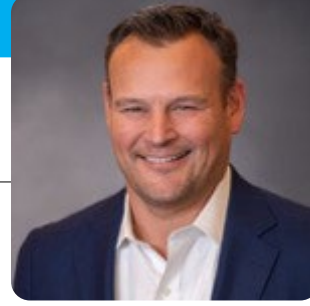
Decades of industry experience. Strong track record. Drive deep collaboration and superb execution



Liren Chen
CEO



Rajesh Pankaj
CTO



Rich Brezski
CFO



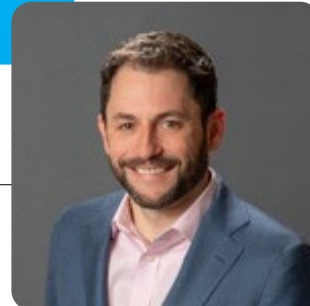
Julia Mattis
Chief Licensing
Officer



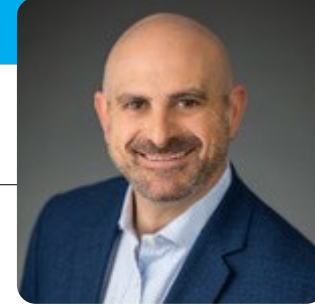
Ken Kaskoun
Chief Growth Officer



Skip Maloney
Chief People Officer



Joshua Schmidt
Chief Legal Officer

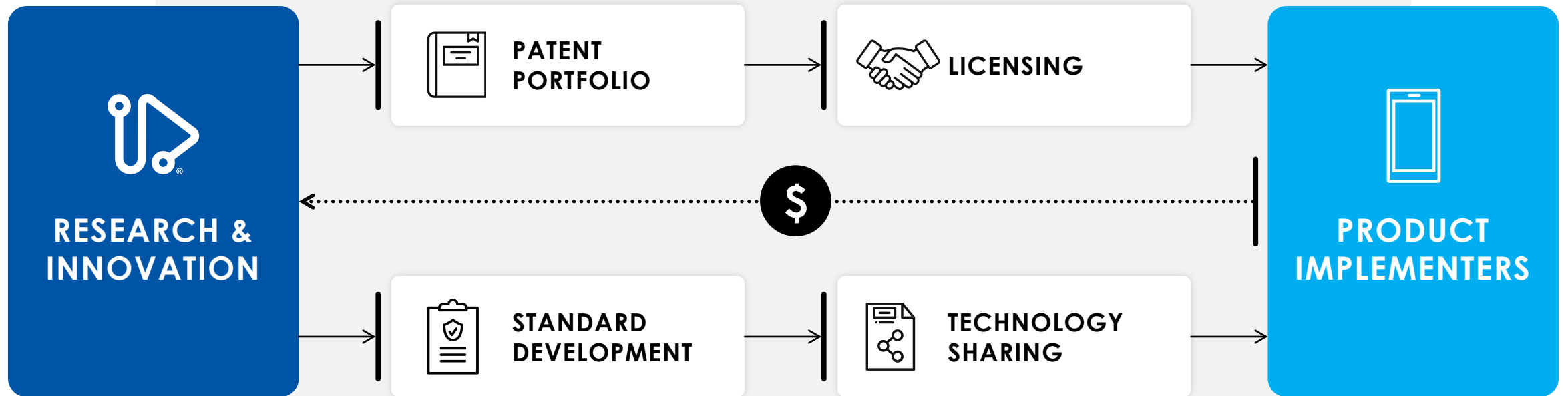


Robert S. Stien
Chief Communications
& Public Policy Officer



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

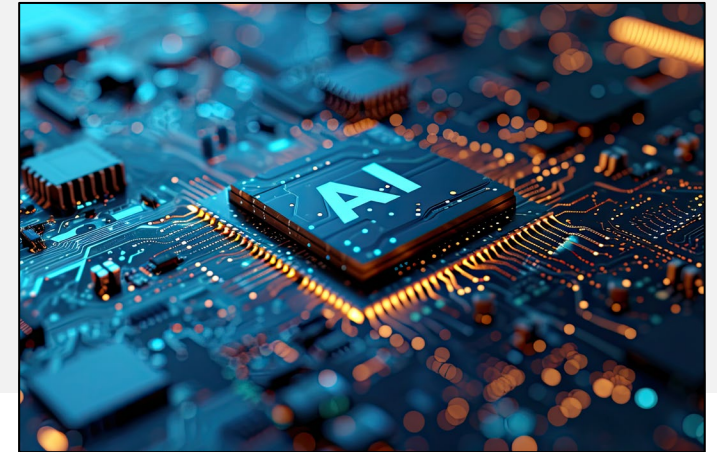
WiFi and wireless local area networks



VIDEO

Video compression, transport
and enhancement

Immersive media compression,
transport and enhancement



AI

AI/ML research to deliver next gen
wireless and video technologies and
services

AI/ML innovation to boost performance,
save energy, and enable new use cases

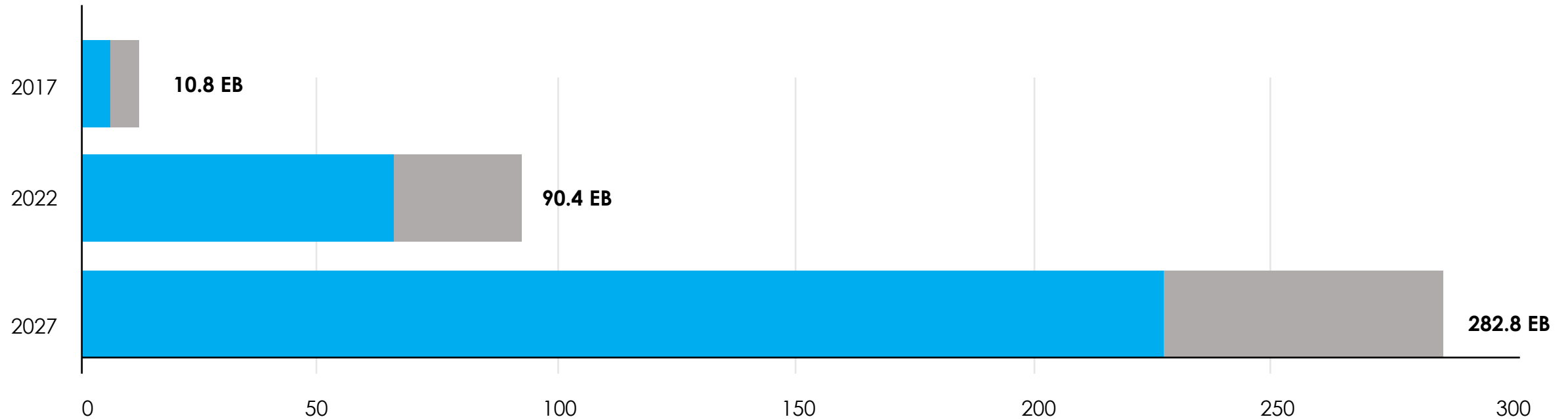
Our research and patents in these areas underpin our business



InterDigital Tech Underpins Surging Mobile Traffic

Video Drives Surge in Mobile Data Traffic

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

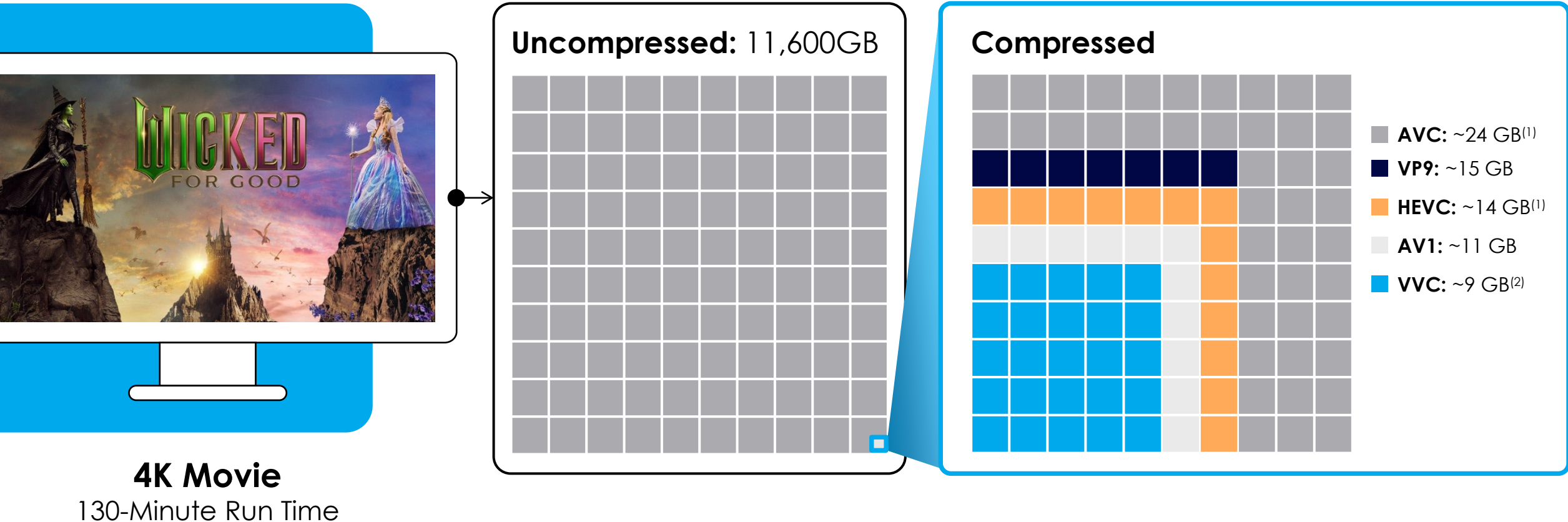


* One exabyte equals one million terabytes. Source: Ericsson Mobility Report

■ Video ■ Other



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

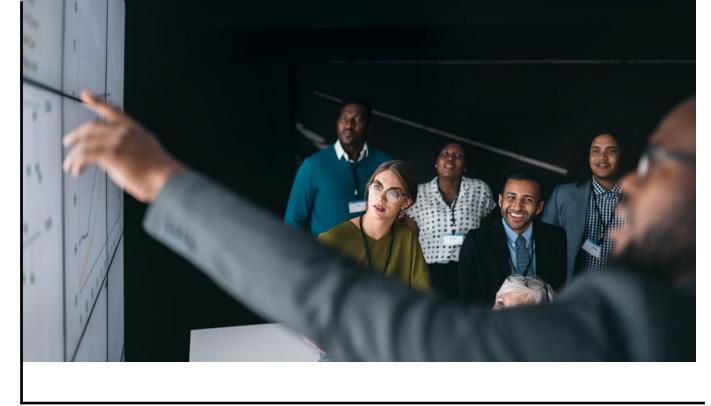
Focus on technology merits and neutral on product implementation decisions



STRONG LEADERSHIP

Participate in 100+ standard development organizations (SDO)

Hold more than 100 leadership positions in these SDOs



BROAD COLLABORATIONS

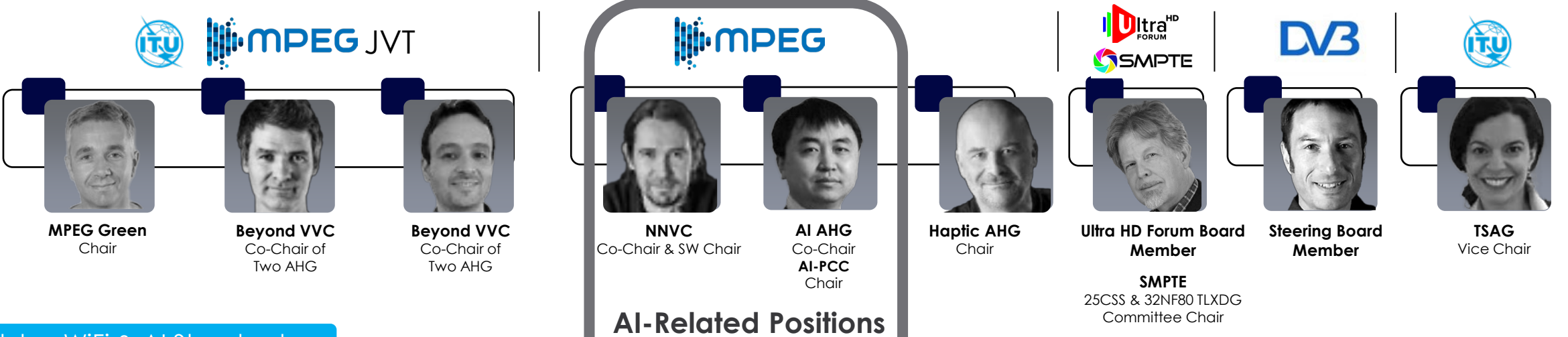
Collaborate with many industry partners and leading universities

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

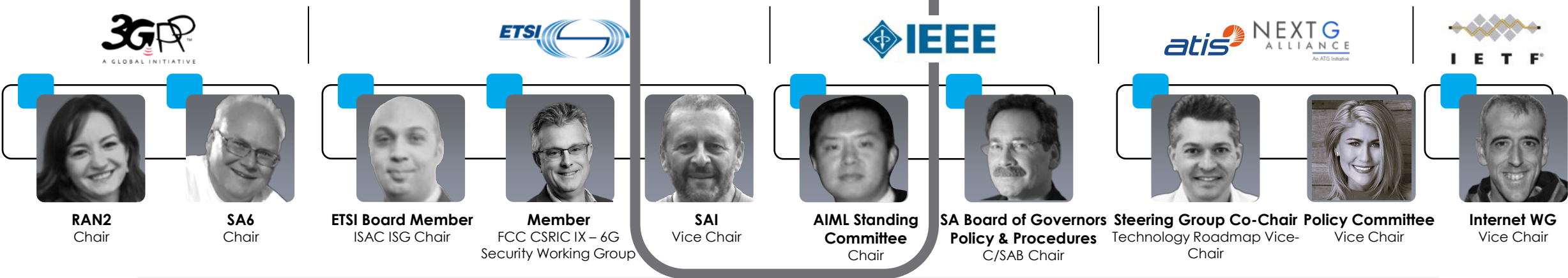


We Have Many Standard Development Leadership Positions

Video & AI Standards



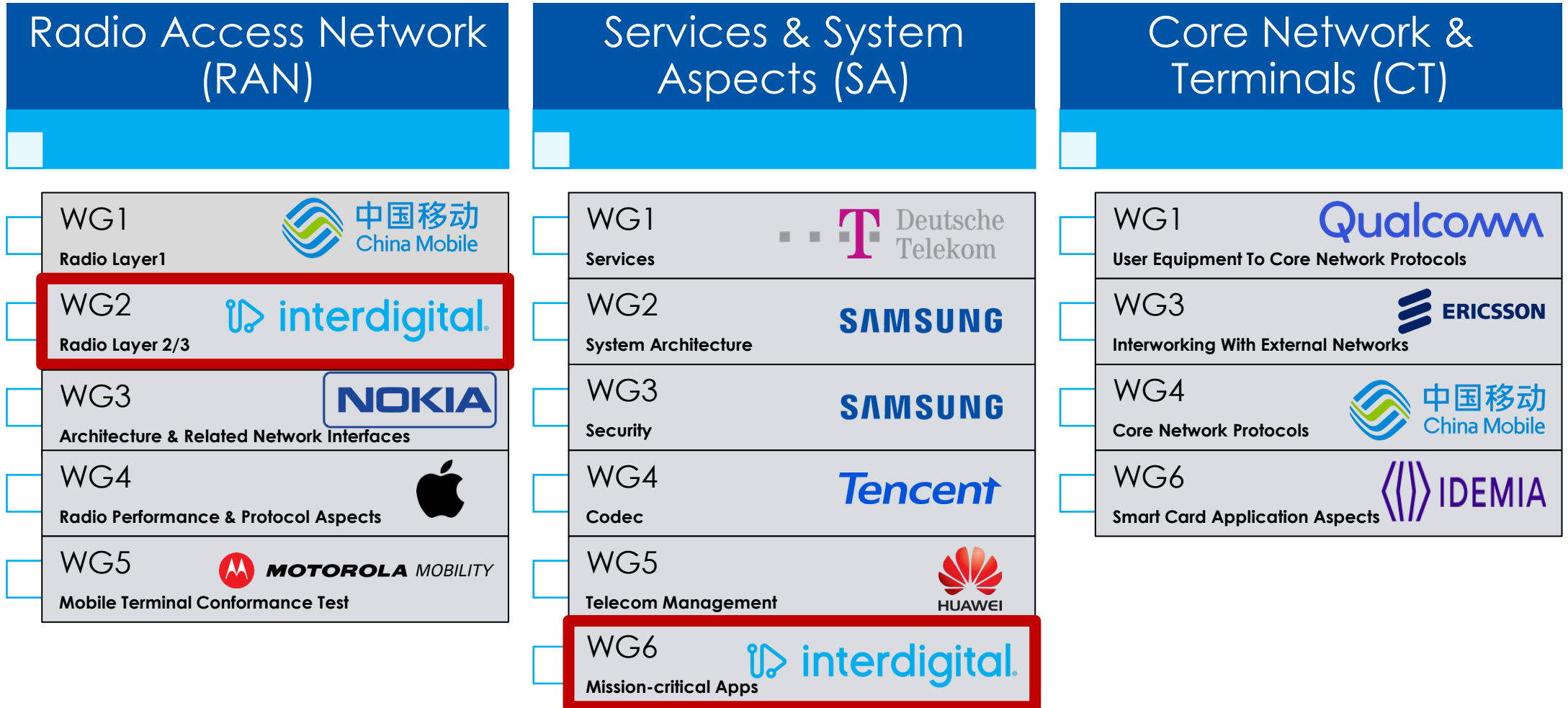
Cellular, WiFi & AI Standards



Sphere of Influence Growing: More than 100 Leadership Positions in Wireless, Video & AI 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 Businesses.**

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

2022:

Intellectual Property Solutions

LexisNexis

Innovation Momentum 2022: The Global Top 100

4

The 2022 Global Top 100

Patent Owner	HQ	Industry
Intel	CN	Information Technologies
Hyundai Motor	KR	Automotive
Illumina	US	Biotechnologies
Incyte	US	Pharmaceuticals
Infineon	DE	Semiconductors
Intel	US	Semiconductors
InterDigital	US	Technology R&D
Intuitive Surgical	US	Medical Technologies
Johnson & Johnson	US	Pharmaceuticals
Juul Labs	US	Consumer Goods
KLA	US	Semiconductors
Lam Research	US	Semiconductors
Largan Precision	TW	Engineering
LG Chem	KR	Chemicals and Materials
LG Electronics	KR	Electronics
Macronix	TW	Semiconductors
Magic Leap	US	Electronics
Maximo Corp	US	Medical Technologies
Mediatek	TW	Semiconductors
Medtronic	IE	Medical Technologies

Cofuok is an acoustic component company that is supplying to consumer product companies like Apple and Samsung.

InterDigital is a research and development company primarily focused on modern telecommunications. It actively contributes to the development of standards such as 5G, with the majority of its revenue resulting from licensing.

Juul Labs is a tobacco company focused on electronic alternatives to traditional cigarettes. Significant development in recent years has been a major reason for its inclusion in the Top 100.

LG Chem is Korea's largest chemical company, having different product segments, including its well-known lithium-ion batteries, which are used in electric vehicles and mobile devices.

Magic Leap is an augmented reality device manufacturer. Its technology covers a wide number of areas required for immersive augmented reality from optics to sensors to systems.

LexisNexis

Intellectual Property Solutions

2023:

LexisNexis

Innovation Momentum 2023: The Global Top 100

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The 2023 Global Top 100

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

Patent Owner	HQ	Industry
Incyte	US	Pharmaceuticals
Infineon Technologies	DE	Semiconductors
Intel	US	Semiconductors
InterDigital	US	Technology R&D
Intuitive Surgical	US	Medical Technologies
Japan Tobacco	JP	Consumer Goods
Jazz Pharmaceuticals	IE	Pharmaceuticals
Johnson & Johnson	US	Pharmaceuticals
Johnson Controls	US	Consumer Goods
Juul Labs	US	Consumer Goods
Kamel	US	Medical Technologies
Kia	KR	Automotive
Korea Tobacco & Ginseng	KR	Consumer Goods
Kyocera	JP	Electronics
Lam Research	US	Semiconductors
Largan Precision	TW	Engineering
LG Chem	KR	Chemicals and Materials
LG Electronics	KR	Electronics
Macronix	TW	Semiconductors
Magic Leap	US	Electronics

New entrants to the 2023 Top 100 list

Japan Tobacco: Japan's leading tobacco and vaping company. The maker of Camel cigarettes outside the U.S., JT is known for developing a heated tobacco stick.

Jazz Pharmaceuticals: A global biopharmaceutical company in Ireland focused on neurosciences and oncology, with products treating sleep disorders and epilepsy, and medicines for hematology malignancies and tumors.

Johnson Controls: A global leader in smart buildings. It uses artificial intelligence and data analytics to develop autonomous heating, cooling, and other building systems.

Kamel: A U.S.-based technology company that creates brain-machine interfaces, leveraging the strengths of TDP-123G into their products.

Kia: A multinational automobile manufacturer based in South Korea. It leverages its investment in technological innovation to provide drivers with increasingly safer, connectivity, and fuel economy.

Korea Tobacco & Ginseng: The leading South Korean tobacco company that also develops, manufactures, and distributes biopharmaceuticals, medical supplies, food and beverages, and more.

Kyocera: A Japanese ceramics and electronics manufacturer of solar power generating systems, mobile phones, printers, LCDs, and more.

LexisNexis

2024:

LexisNexis

Innovation Momentum 2024: The Global Top 100

8

The 2024 Global Top 100

The Top 100 is 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
Intuitive Surgical	US	Medical Technologies
Japan Tobacco	JP	Consumer Goods
Jiangsu Hengrui Pharmaceuticals*	CN	Pharmaceuticals
Johnson & Johnson	US	Pharmaceuticals
Juniper Networks*	US	Information Technologies
Kia	KR	Automotive
KLA*	US	Semiconductors
Korea Tobacco & Ginseng	KR	Consumer Goods
Lam Research	US	Semiconductors
LG Chem	KR	Chemicals and Materials
LG Electronics	KR	Electronics
Lumix*	IL	Electronics
Macronix	TW	Semiconductors
Magic Leap	US	Electronics
Maximo	US	Medical Technologies
Mediatek	TW	Semiconductors
Medtronic	IE	Medical Technologies

*New to the Top 100
*Re-entered the Top 100

Intella Therapeutics: A U.S. biotechnology company that focuses on pursuing the development of novel, potentially curative therapeutics utilizing CRISPR-Cas9-based technologies.

Jiangsu Hengrui 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.

Lumix: An Israeli company that creates transparent display for smart wear and head-mounted displays that transform the way people interact with reality.

LexisNexis

2025:

LexisNexis

Innovation Momentum 2025: The Global Top 100

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Innovation Momentum 2025: The Global Top 100

The Top 100 companies in alphabetical order, the global headquarters location, its industry sector and its appearances in the Innovation Momentum report.

Patent Owner	HQ	Industry	Years Featured
Intel	US	Semiconductors	10
InterDigital	US	Technology R&D	10
Intuitive Surgical	US	Medical Technologies	10
Japan Tobacco	JP	Consumer Goods	10
JFE Holdings	JP	Engineering	10
Johnson & Johnson	US	Pharmaceuticals	10
Juniper Networks	US	Information Technologies	10
KLA	US	Semiconductors	10
Kiriko Electric	JP	Semiconductors	10
KTAGS	KR	Consumer Goods	10
LG Chem	FR	Consumer Goods	10
Lam Research	US	Semiconductors	10
LG Chem	KR	Chemicals and Materials	10
LG Electronics	KR	Electronics	10
Magi Leap	US	Electronics	10
Maximo Corp.	US	Medical Technologies	10
Mediatek	TW	Semiconductors	10
Medtronic	IE	Medical Technologies	10
Meta	US	Information Technologies	10
Mitsubishi Therapeutics	US	Pharmaceuticals	10

New entrants to the 2025 Top 100 list

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

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

ETC&I: A South Korean company known for its wide range of services, including mobile, internet, and software products.

LexisNexis

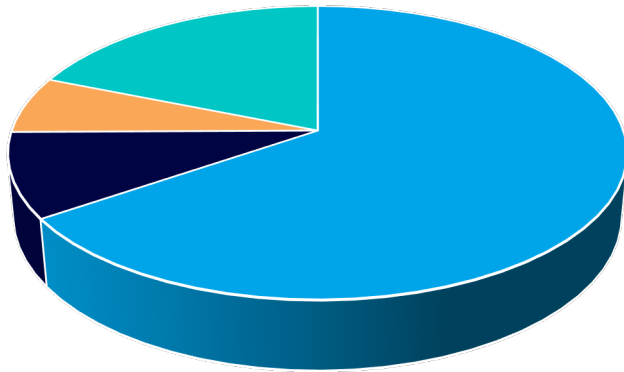


Innovation Engine Fuels Evergreen IP Portfolio

Our patent portfolio **grew > 100%** between 2017 & 2025 with the **addition of video & DTV** related technologies and continuing growth of wireless assets

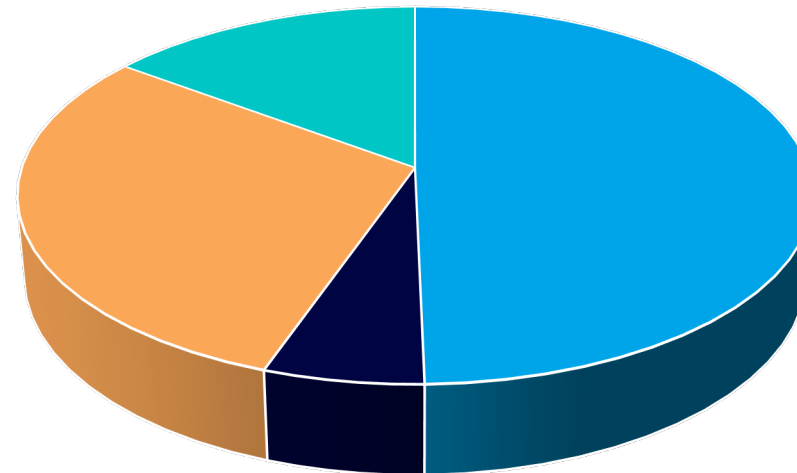
2017:

~19,000 Assets



2025:

~38,000 Assets



↑
Growing by
about 7 new
patents/day

● Cellular ● WiFi ● Video ● Other

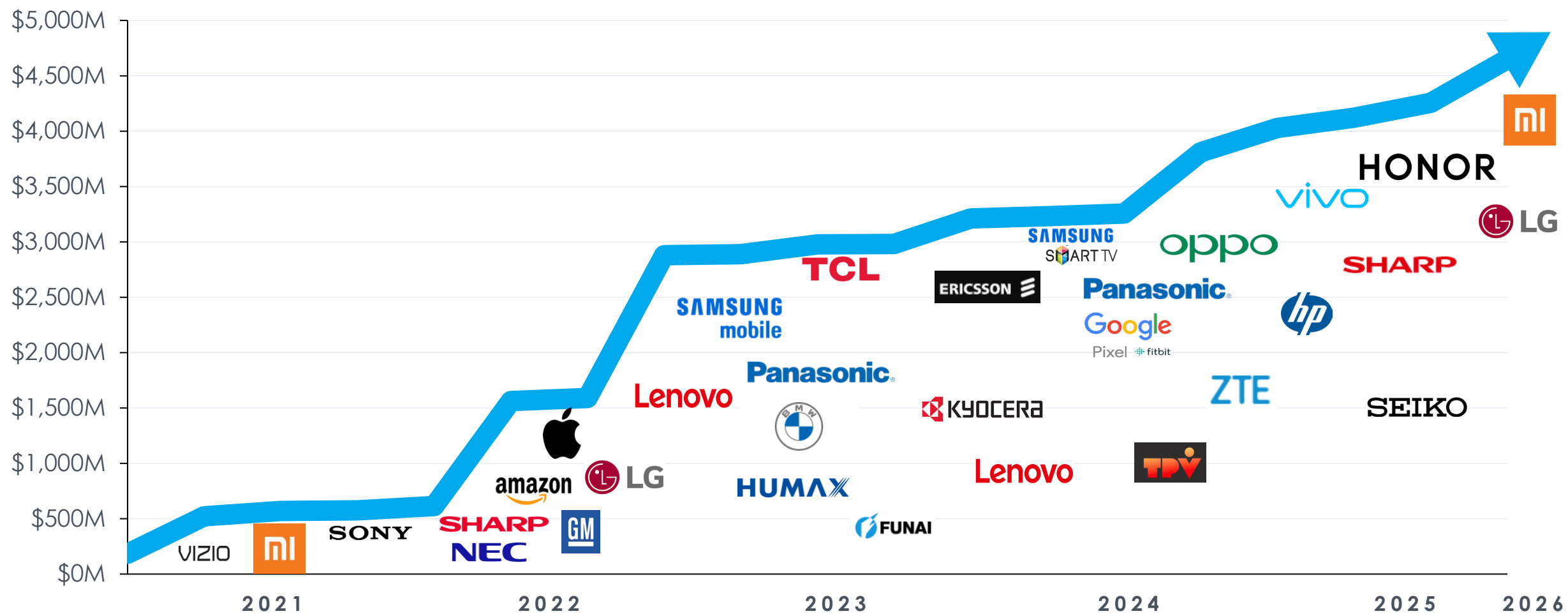


Accelerating Business Momentum

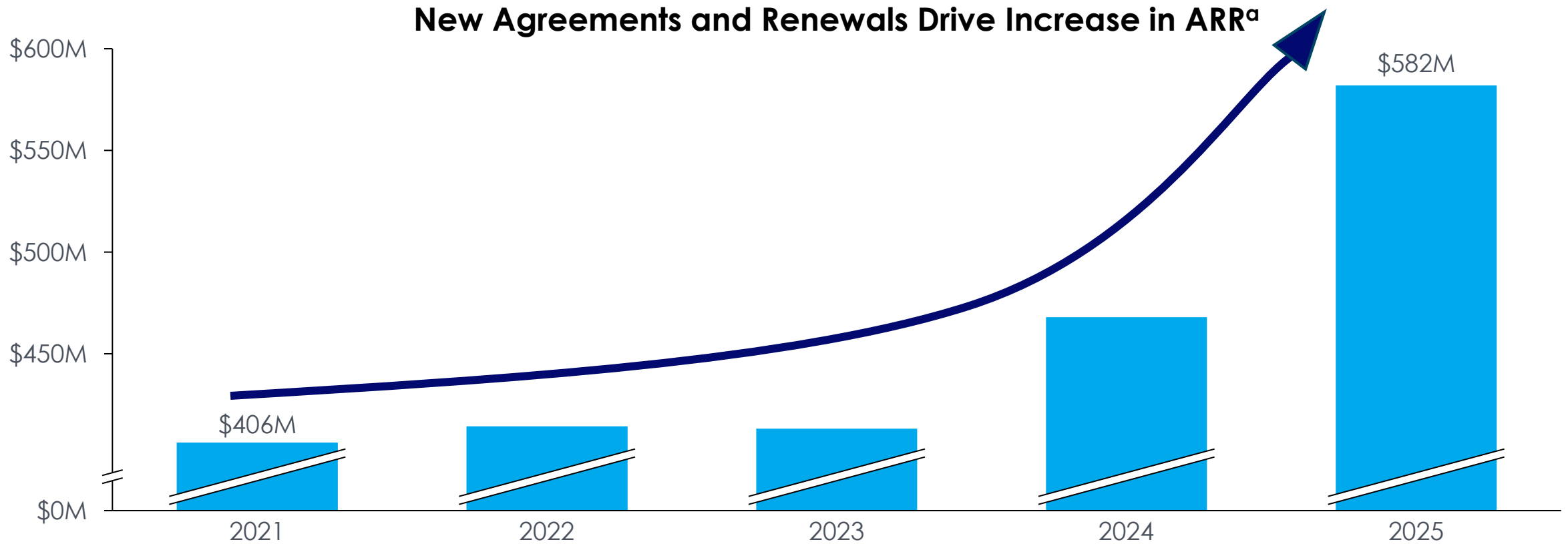


Licensing Momentum Drives Total Contract Value (TCV) Growth

More than 50 licenses with TCV > \$4.6B closed since the start of 2021



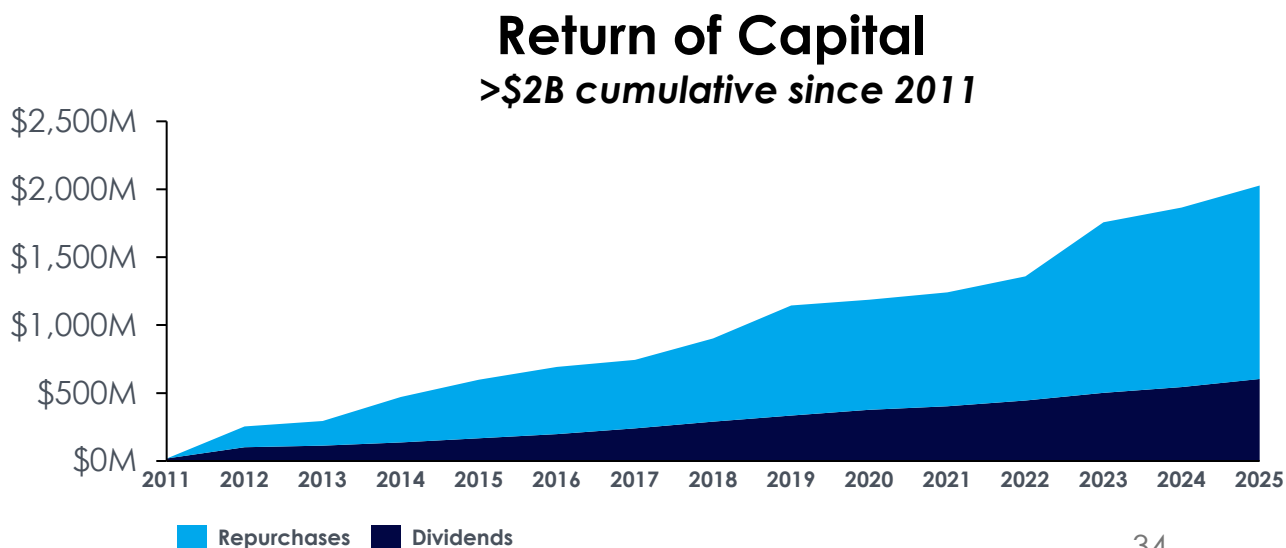
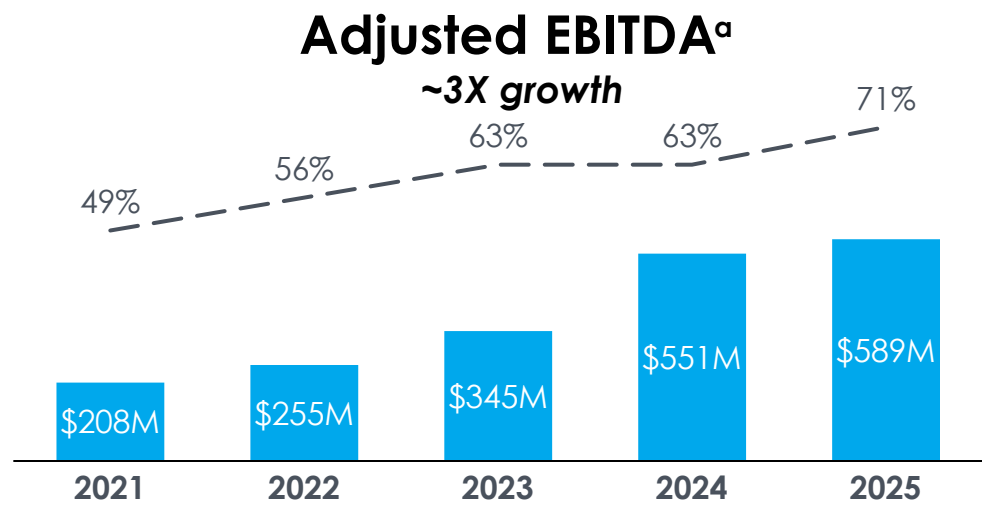
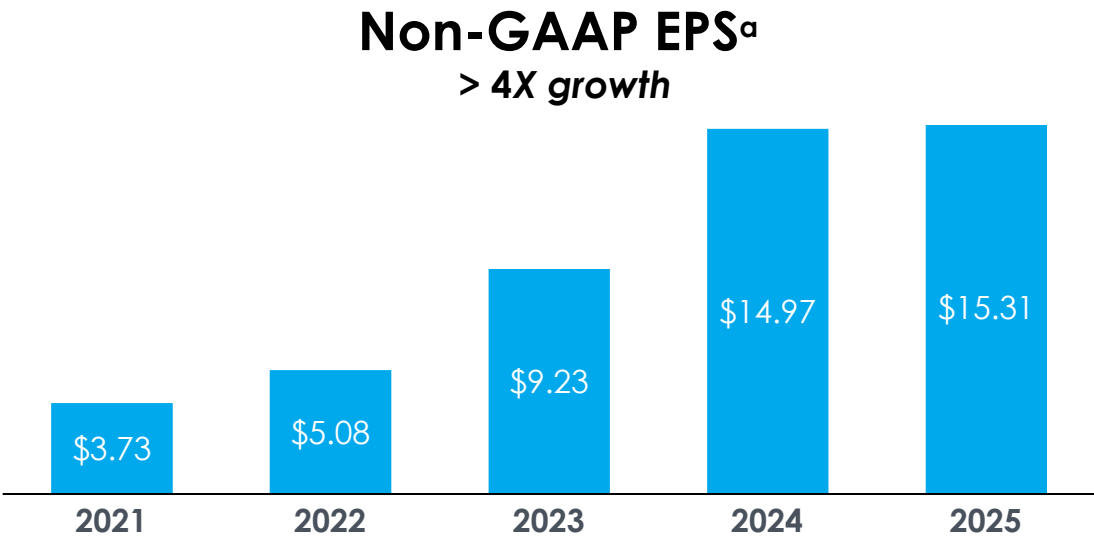
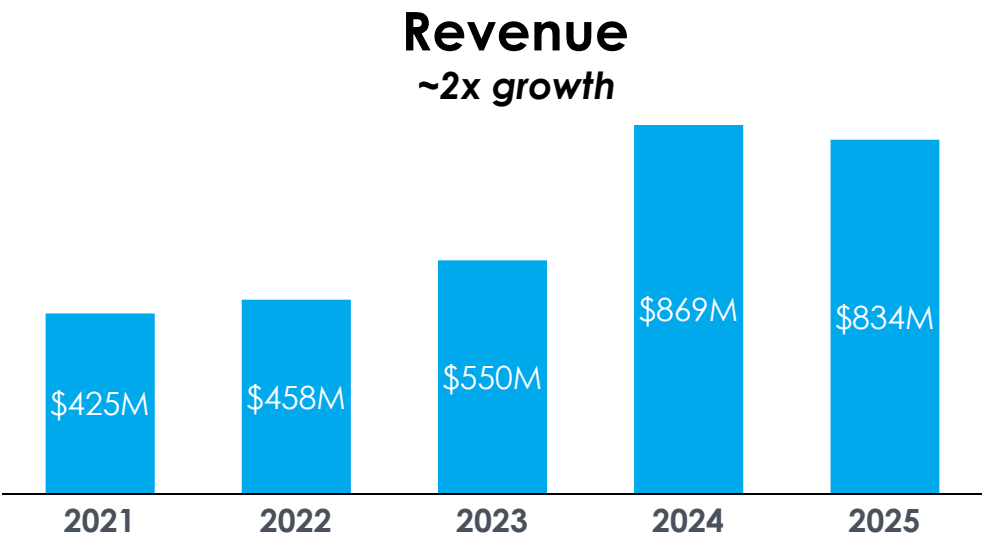
Licensing Success Drives ARR^a Growth



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

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Strong Revenue Growth, Margins and Return of Capital



^a Non-GAAP financial measure. Refer to non-GAAP reconciliation in appendix, as well as our 2025 10-K for a sensitivity table showing the dilutive impact of our convertible notes.

Recognized As One Of America's Best Companies

Newsweek



Fortune



Time Magazine



Forbes



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

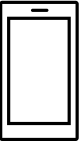
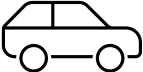
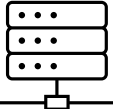
5G is projected to **add nearly \$1 trillion to the global economy in 2030**

Source: GSMA The Mobile Economy 2024



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We Address Three Attractive Markets

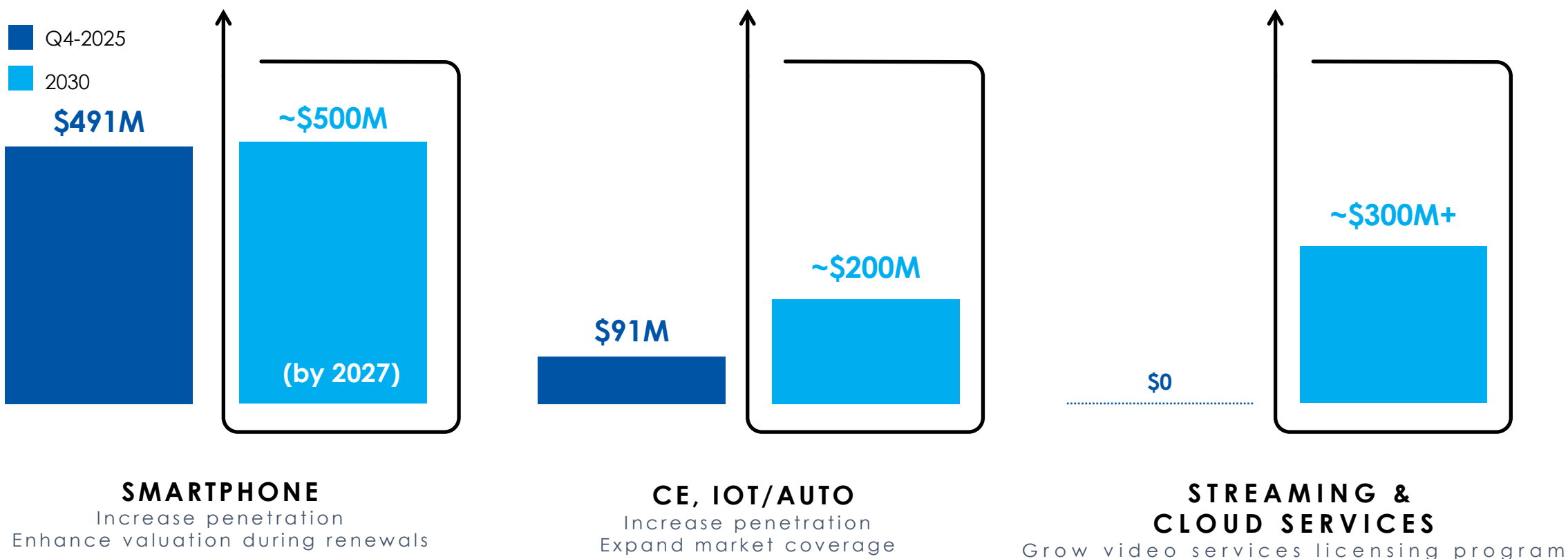
Market	2025E TAM	'25 – '29E CAGR	Significant Customers	Key Market Dynamic
 SMARTPHONES	~1.2B Units (~\$460B) ¹	~2%	<10	Increasing concentration of top OEMs
 CE, IoT/AUTO	~1.8B Units (~\$440B) ²	~4%	~100	Mix of mature and growth with fragmentation across certain verticals
 CONTENT & CLOUD SERVICES	~\$475B ³	~10%	<20	High growth with increasing focus on profitability



Clear Pathway to Growth

\$1B+

ARR^a Target | 2030



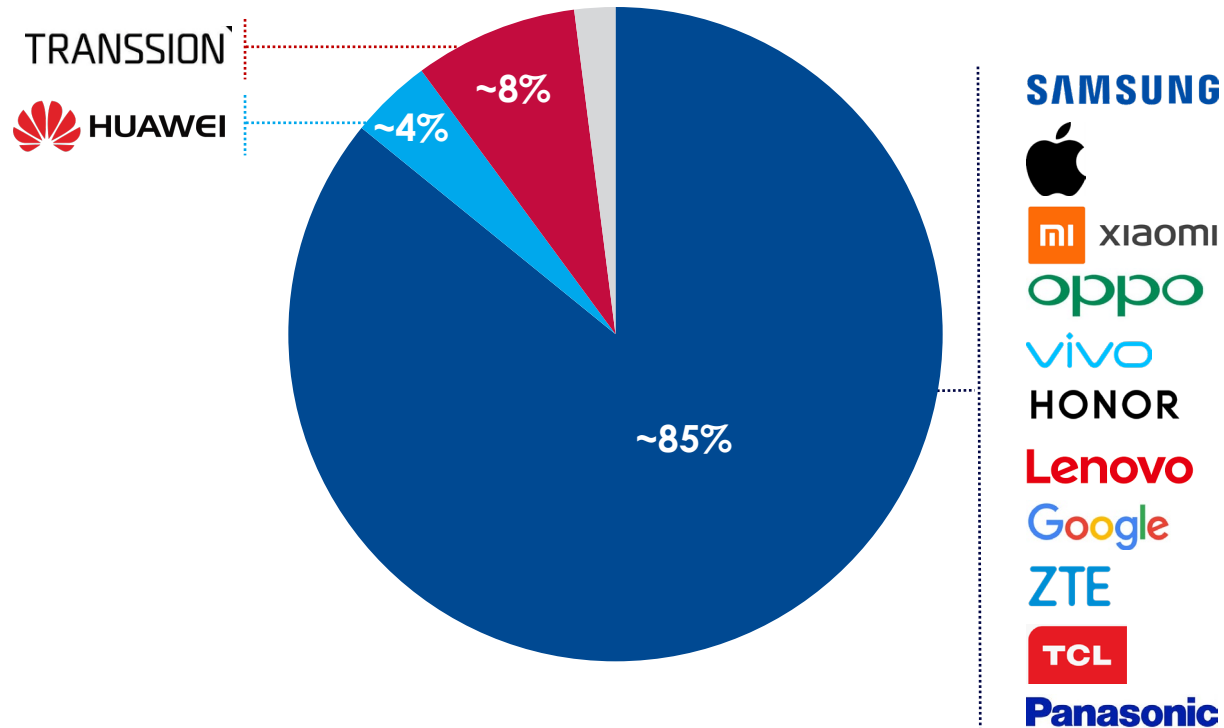
^a Please see appendix for a description of this metric and how it is calculated

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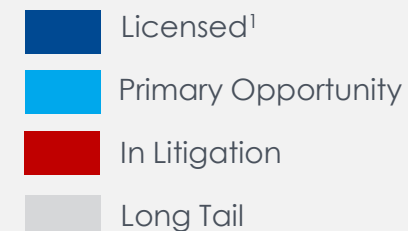
Strong Execution Drives High Penetration

2025 SMARTPHONE SHIPMENTS: ~1.2B



Licensing coverage: ~85%

- Top 3 vendors under license until end of decade
- 8 of top 10 under license
- Large global market, projected at 2% CAGR thru '29
- Focus on driving higher value from key customers during renewal cycle



1. Lenovo in binding arbitration

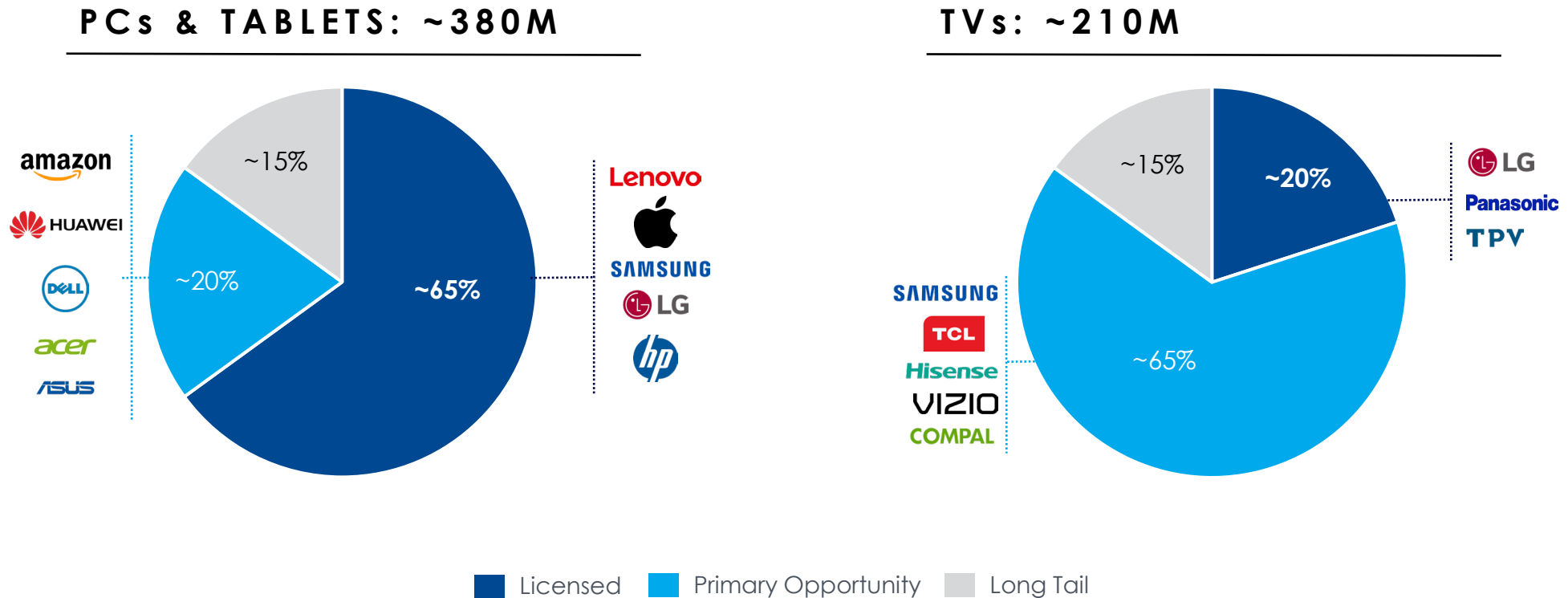
Source: Counterpoint Research



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Good Momentum in CE - Large Opportunity Remains

License coverage based on HEVC



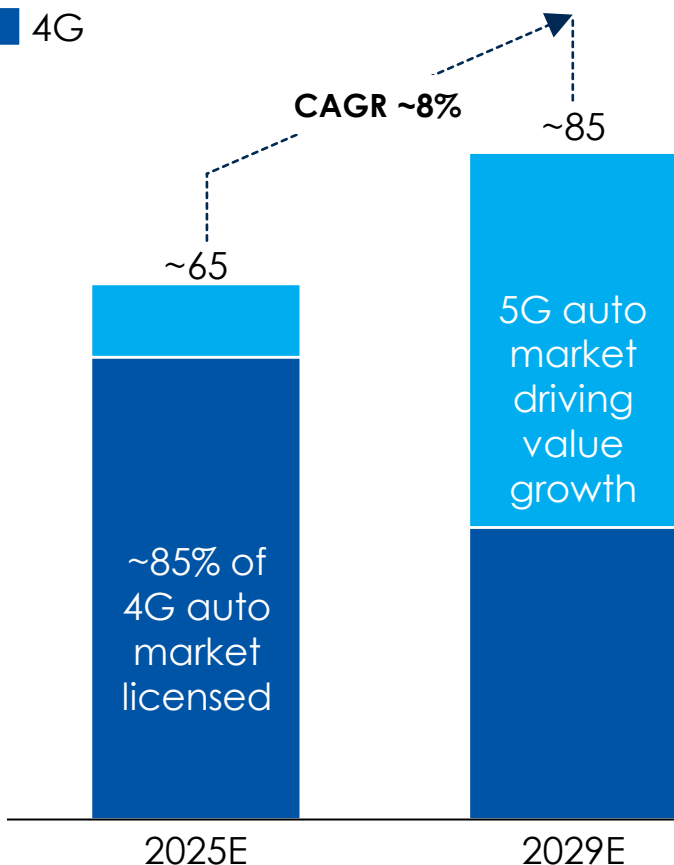
Note: Figures represent 2025 estimated shipments
Source: Omdia



Strong Growth Opportunity in Automotive and IoT

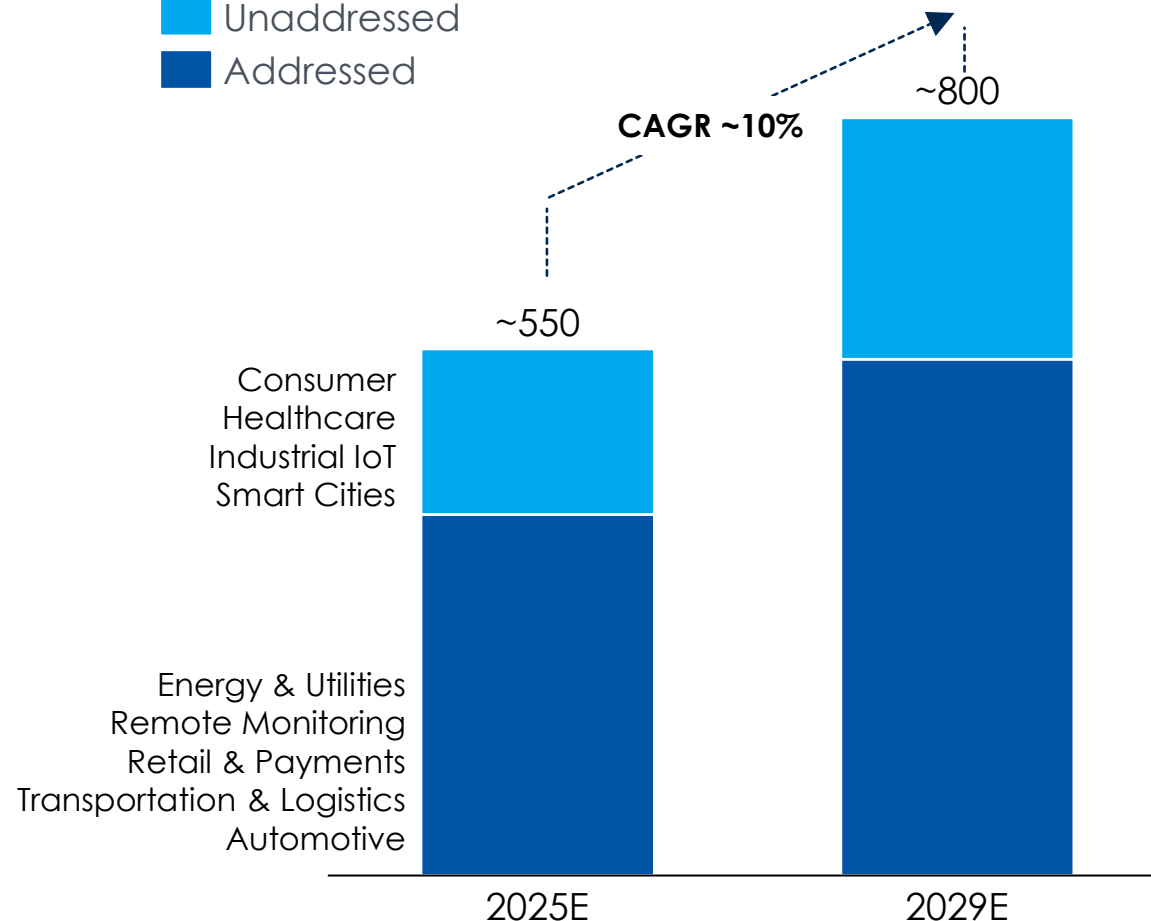
PASSENGER VEHICLE SHIPMENTS (M)

5G
4G



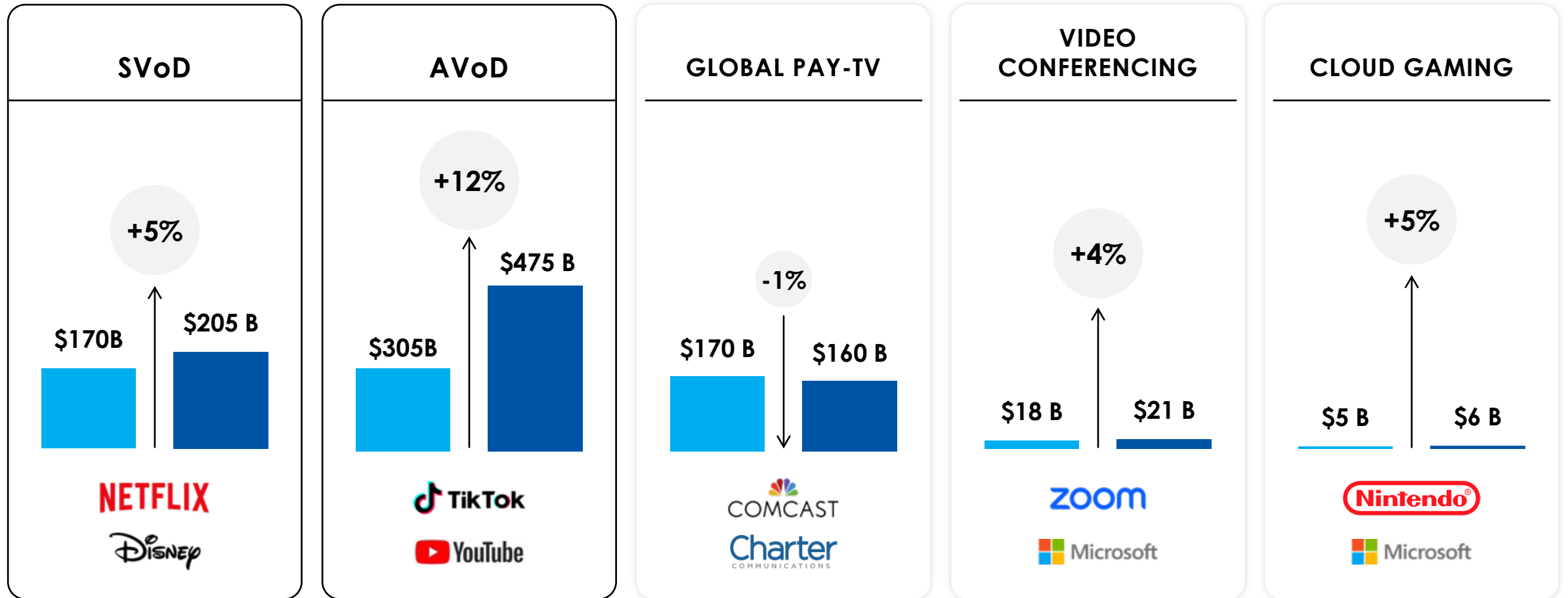
CELLULAR IOT SHIPMENTS (M)

Unaddressed
Addressed



SVoD and AVoD Are Our Initial Focus

■ 2025 TAM ■ 2029 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

> \$1.4B in share repurchases since '11

Dividend increase of 56% in 2025

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

10%+

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 revenue for the quarter less catch-up revenue 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 revenue 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 revenue. 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 Adjusted EBITDA to the 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 provided by (used in) 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 used in operating activities, the most directly comparable GAAP financial measure, is provided below.

Non-GAAP net income, Non-GAAP earnings per share ("EPS"), and Non-GAAP weighted-average diluted 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 diluted shares, 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.



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

Cash Flow Data:

Net cash provided by operating activities
Purchases of property and equipment
Capitalized patent costs

Free cash flow

Full Year					Three Months Ended		Outlook		
2021	2022	2023	2024	2025	Q4'25	Q4'24	Q4'25	Q1'26	Full Year 2026
\$ 55	\$ 94	\$ 214	\$ 359	\$ 407	\$ 43	\$ 133	\$26 - \$34	\$57 - \$66	\$202 - \$298
(13)	(2)	(3)	-	-	-	-	-	-	-
15	26	24	71	63	7	20	8	12	48
14	33	(13)	10	(9)	(2)	9	-	-	(4)
78	79	78	70	78	20	18	21	19	80
29	22	36	46	43	13	18	11	12	52
30	3	10	(4)	7	8	-	2	1	3
\$ 208	\$ 255	\$ 345	\$ 551	\$ 589	\$ 88	\$ 198	\$68 - \$76	\$101 - \$110	\$381 - \$477
49%	56%	63%	63%	71%	56%	78%	49%	54%	59%
\$ 28	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	3	-	-	1	-	-	-	-
2	-	-	-	7	6	-	2	1	3
-	-	8	(4)	-	1	-	-	-	-
\$ 30	\$ 3	\$ 10	\$ (4)	\$ 7	\$ 8	\$ -	\$ 2	\$ 1	\$ 3
					\$ 544	\$ 63			
					(16)	-			
					(55)	(15)			
					\$ 474	\$ 48			

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		
	2021	2022	2023	2024	2025	Q4'25	Q4'24	Q4'25	Q1'26	Full Year 2026
Net income attributable to InterDigital, Inc.	\$ 55	\$ 94	\$ 214	\$ 359	\$ 407	\$ 43	\$ 133	\$26 - \$34	\$57 - \$66	\$202 - \$298
Share-based compensation	29	22	36	46	43	13	18	11	12	52
Acquisition related amortization	42	42	41	33	36	9	8	9	8	32
Other operating items	30	3	10	(4)	7	8	-	2	1	3
Other non-operating items	(11)	13	(14)	(2)	-	-	-	-	-	-
Related income tax and noncontrolling interest effect of above items	(26)	(17)	(17)	(15)	(18)	(6)	(5)	(5)	(4)	(18)
Adjustments to income taxes	(2)	(2)	(16)	(7)	(10)	-	(3)	-	-	-
Non-GAAP net income	\$ 117	\$ 155	\$ 254	\$ 409	\$ 465	\$ 66	\$ 151	\$43 - \$51	\$74 - \$83	\$271 - \$367

Weighted average diluted shares - GAAP

Less: Dilutive impact of the Convertible Notes

Weighted average diluted shares - Non-GAAP

Weighted average diluted shares - GAAP	31.3	30.5	28.1	29.7	34.5	35.8	32.6	35.9	35.4	35.0
Less: Dilutive impact of the Convertible Notes	-	-	0.5	2.4	4.1	4.7	3.3	4.7	4.4	4.0
Weighted average diluted shares - Non-GAAP	31.3	30.5	27.6	27.3	30.4	31.1	29.2	31.2	31.0	31.0
Diluted EPS	\$ 1.77	\$ 3.07	\$ 7.62	\$ 12.07	\$ 11.80	\$ 1.20	\$ 4.09	\$0.72 - \$0.95	\$1.61 - \$1.86	\$5.77 - \$8.51
Non-GAAP EPS	\$ 3.73	\$ 5.08	\$ 9.23	\$ 14.97	\$ 15.31	\$ 2.12	\$ 5.15	\$1.38 - \$1.63	\$2.39 - \$2.68	\$8.74 - \$11.84

Other Operating Items

Restructuring	\$ 28	\$ 3	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -
Other non-cash charges	-	-	3	-	1	1	-	-	-	-
Non-recurring personnel-related	2	-	-	-	6	6	-	2	1	3
Net litigation fee reimbursement	-	-	8	(4)	1	1	-	-	-	-
Total Other Operating Items	\$ 30	\$ 3	\$ 10	\$ (4)	\$ 7	\$ 8	\$ -	\$ 2	\$ 1	\$ 3

Other Non-operating Items

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

NOTE: Sums may not equal total due to rounding

