



Third Quarter 2025 Results

October 30, 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 Q3 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 third 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

Q3 Financial & Business Highlights

Q4 and FY25 Outlook

Background on InterDigital

Appendix



Financial & Business Highlights



Q3 Financial Highlights

- ✓ Revenue, Adj. EBITDA^a and Diluted EPS exceed the top end of increased outlook*
- ✓ Annualized Recurring Revenue^b (ARR) up 49% YoY to an all-time high of \$588 million
 - Smartphone ARR^b at \$491 million (all-time high)
 - CE, IoT/Auto ARR^b at \$97 million (also all-time high)
- ✓ Adj. EBITDA^a of \$105 million, up 62% YoY
- ✓ Adj. EBITDA margin^a of 64%, up 14 ppt YoY
- ✓ Free cash flow^a of \$381 million
- ✓ Increased dividend by 17% to \$0.70 per share
- ✓ Return of capital of \$53 million, including \$35 million of share repurchases



Recent Business Highlights

- ✓ Completed Samsung smartphone arbitration. Signed new license agreements with Honor, Sharp and Seiko in our smartphone program.
- ✓ Eight of ten largest smartphone vendors and ~85% of the global smartphone market now under license
- ✓ Signed new license agreement with an EV charger company in our CE, IoT/Auto program
- ✓ Awarded preliminary injunction against Disney by a court in Brazil
- ✓ Acquired video AI start-up Deep Render
- ✓ Tapped by the U.S. government to lead research and demonstrate advanced spectrum coexistence



Appointed New Chief Licensing Officer

Julia Mattis

- Joined InterDigital in 2010
- Has held a series of leadership roles
 - Interim Chief Licensing Officer
 - Head of Smartphone Licensing
 - Chief Licensing Counsel
- Oversaw many of the company's largest licenses
- Played critical role to sign agreements worth more than \$4 billion in total contract value since 2021



Successful Completion of Samsung Arbitration

SAMSUNG

- World's largest smartphone manufacturer
- License covers > 200 million mobile devices shipped annually
- Total contract value of **\$1.05 billion over 8 years, licensed through end of 2030**
- **Annual recurring revenue of \$131 million, an increase of 67%** from prior agreement
- Catch-up revenue of \$119 million recognized in Q2



Acquisition of Deep Render

- Founded in London in 2018, Deep Render has pioneered the use of AI in video and image compression for connected devices and services.
- Expands our AI expertise with a team of AI specialists joining our Research & Innovation team
- Accelerates our AI-native video research
- Strengthens our ability to help shape the next generation video compression standard
- Adds depth to our IP position with Deep Render's AI and video patent portfolio



InterDigital Recognized As One Of America's Greatest and Fastest Growing Companies

Newsweek



Fortune



Time Magazine



Financial Results vs. Outlook

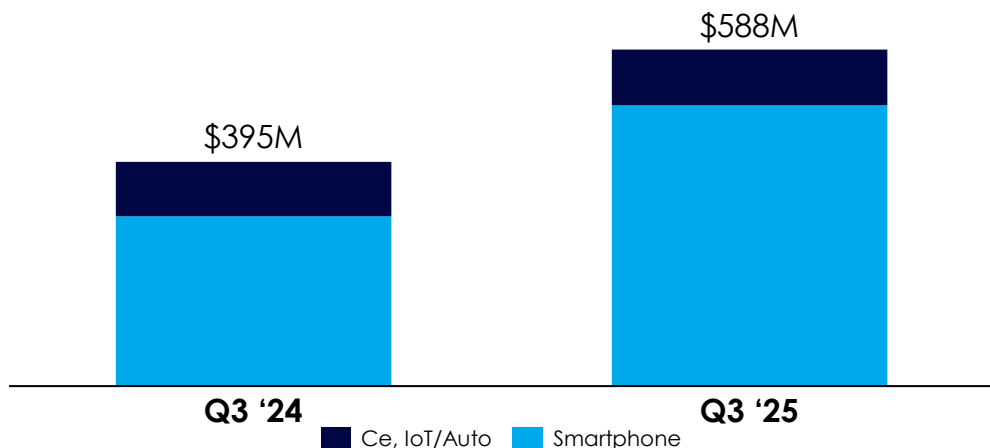
	Q3'25 RESULTS	Q3'25 OUTLOOK (Raised on Sept. 22, 2025)
Revenue	\$164.7M	\$155M - \$159M
Adjusted EBITDA ^a	\$104.9M	\$91M - \$97M
Diluted EPS	\$1.93	\$1.39 - \$1.56
Non-GAAP EPS ^a	\$2.55	\$2.08 - \$2.27

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

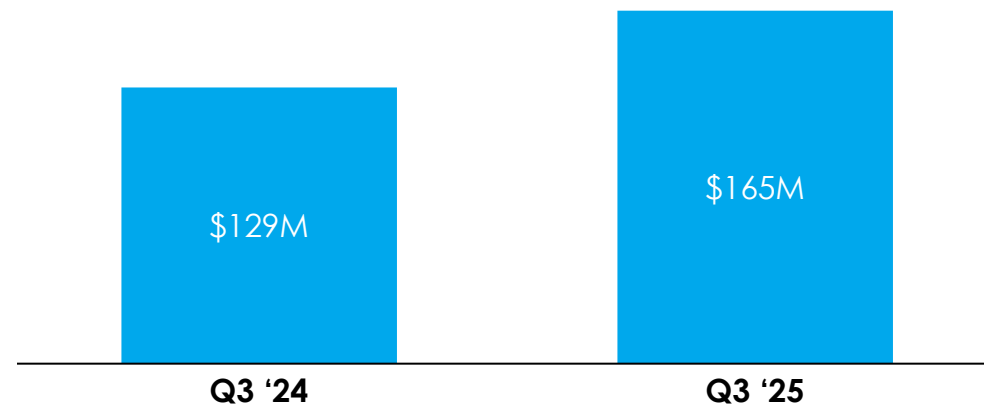


Q3'25 Results

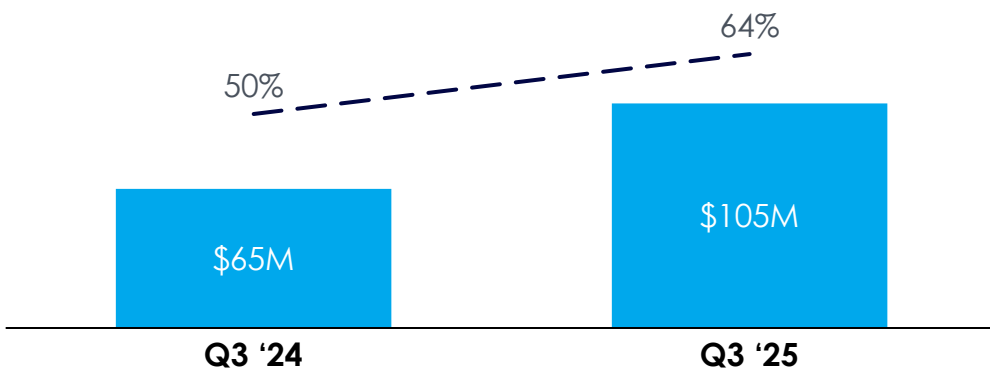
ARR^a
+49% YoY



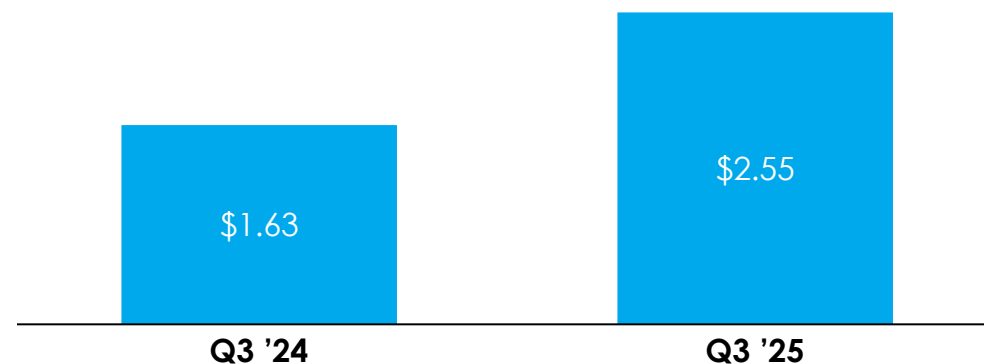
Revenue
+28 % YoY



Adjusted EBITDA^b
+62% YoY



Non-GAAP EPS^b
+56% YoY



Q4 and FY25 Outlook



Q4'25 and FY25 Outlook

(as of October 30, 2025)

	Q4'25 OUTLOOK	FY25 OUTLOOK
Revenue	\$144M - \$148M	\$820M - \$824M
Adjusted EBITDA^a	\$68M - \$76M	\$569M - \$577M
Diluted EPS	\$0.72 - \$0.95	\$11.27 - \$11.50
Non-GAAP EPS^a	\$1.38 - \$1.63	\$14.57 - \$14.83

The Company has provided an outlook for fourth quarter and full year 2025, in both cases based on existing agreements only, in the table above. Any new agreements that might be reached over the balance of the fourth quarter would be additive.

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



Upcoming Investor Events

November 19

RBC Global TIMT Conference

 New York, NY

November 21

Southwest IDEAS Conference

 Dallas, TX

November 20

Roth Tech Conference

 New York, NY

December 10

NASDAQ London Investor Conference

 London



Background on InterDigital

As of October 30, 2025





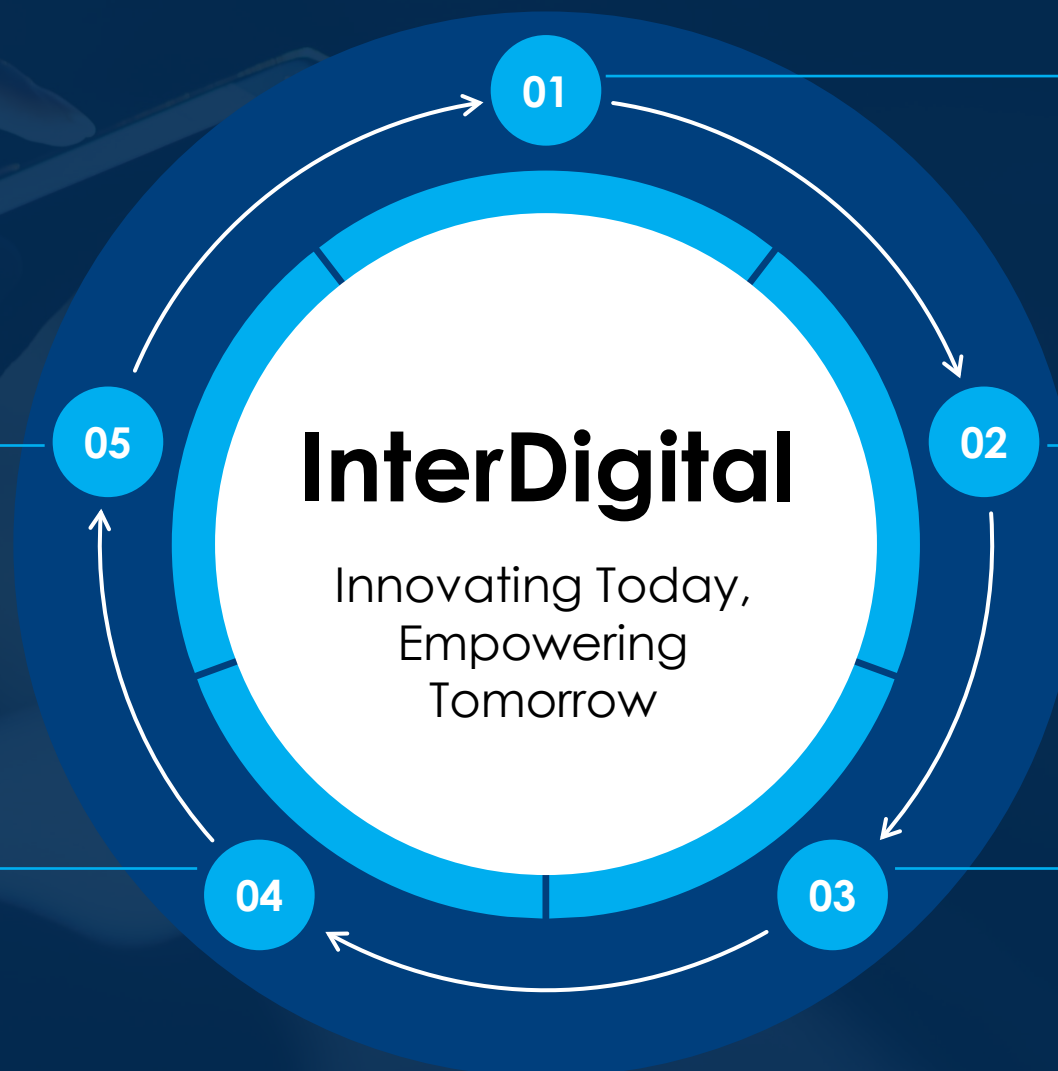
**Company
Introduction**



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, \$4B+ 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

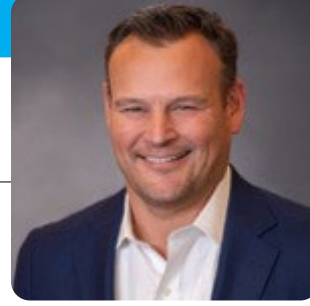
Decades of industry experience. Strong track record. Drive deep collaboration and superb execution



Liren Chen
CEO



Rajesh Pankaj
CTO



Rich Brezski
CFO



Julia Mattis
Chief Licensing
Officer



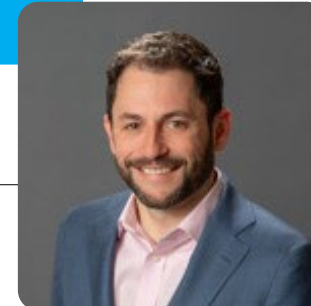
Michael Cortino
Chief Information
Officer



Ken Kaskoun
Chief Growth Officer



Skip Maloney
Chief People Officer



Joshua Schmidt
Chief Legal Officer

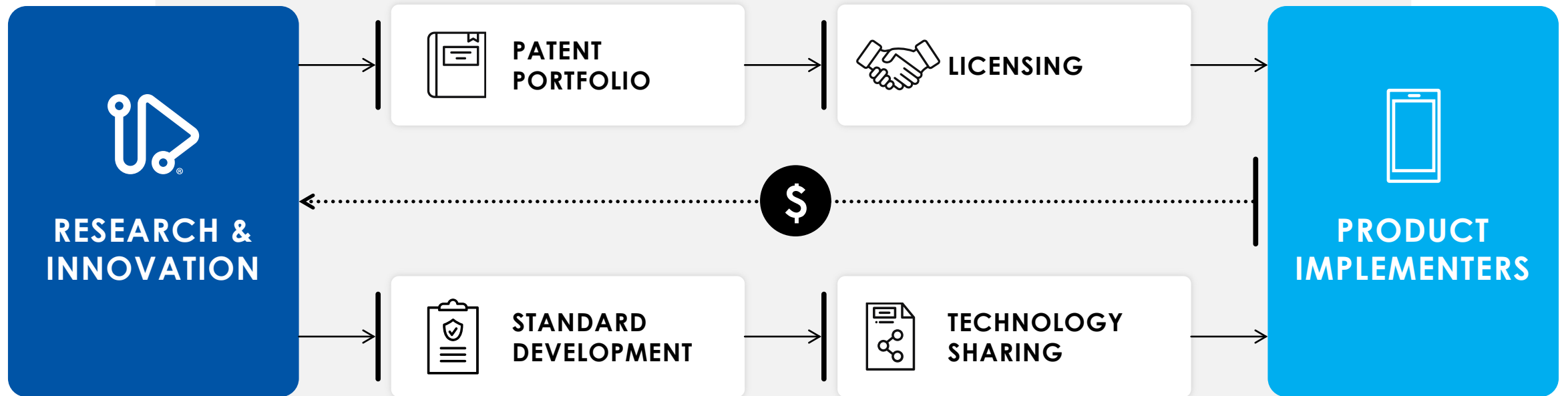


Robert S. Stien
Chief Communications
& Public Policy Officer



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

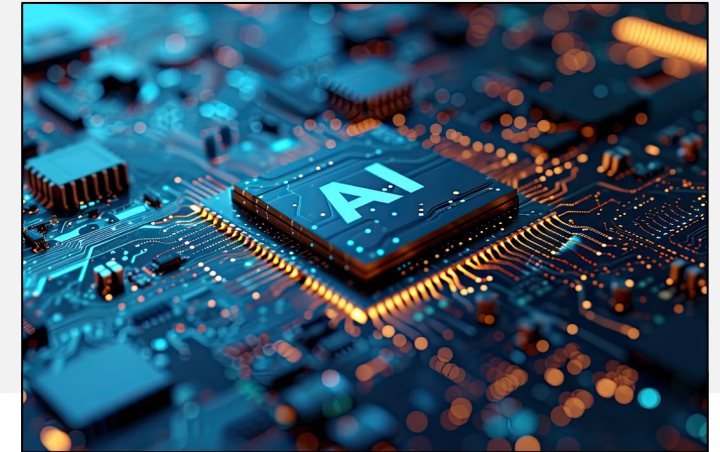
WiFi and wireless local area networks



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

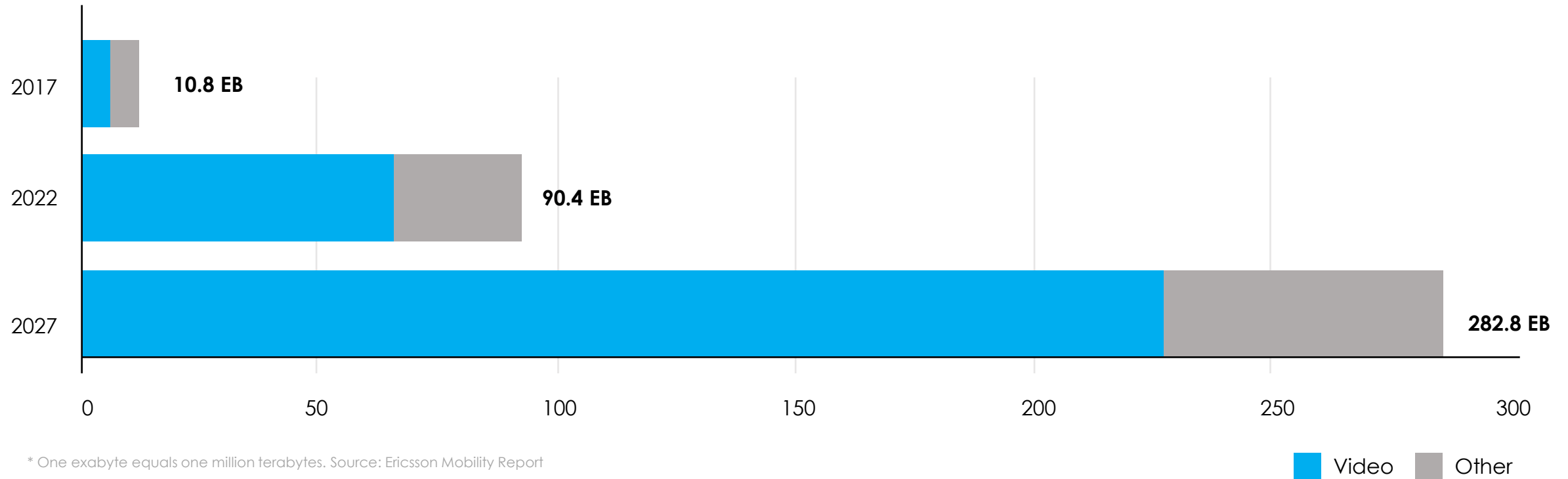
Our research and patents in these areas underpin our business



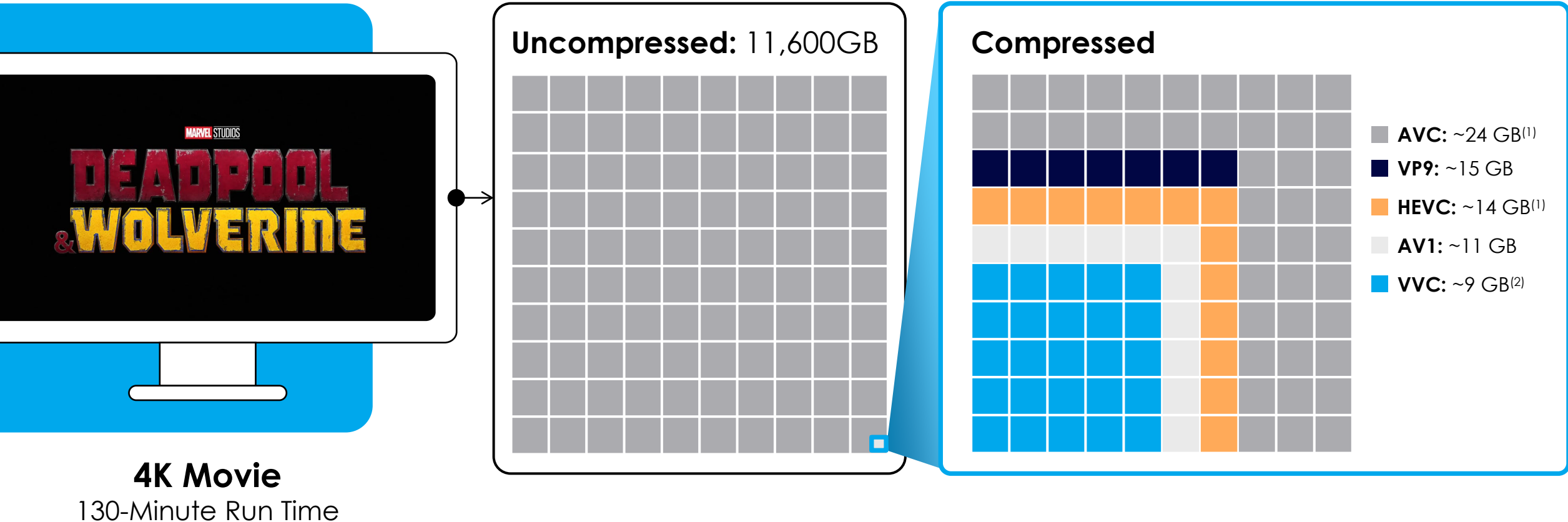
InterDigital Tech Underpins Surging Mobile Traffic

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

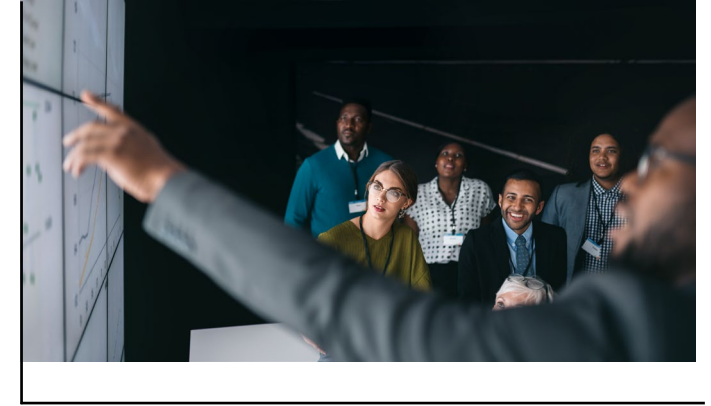
Focus on technology merits and neutral on product implementation decisions



STRONG LEADERSHIP

Participate in 100+ standard development organizations (SDO)

Hold more than 100 leadership positions in these SDOs



BROAD COLLABORATIONS

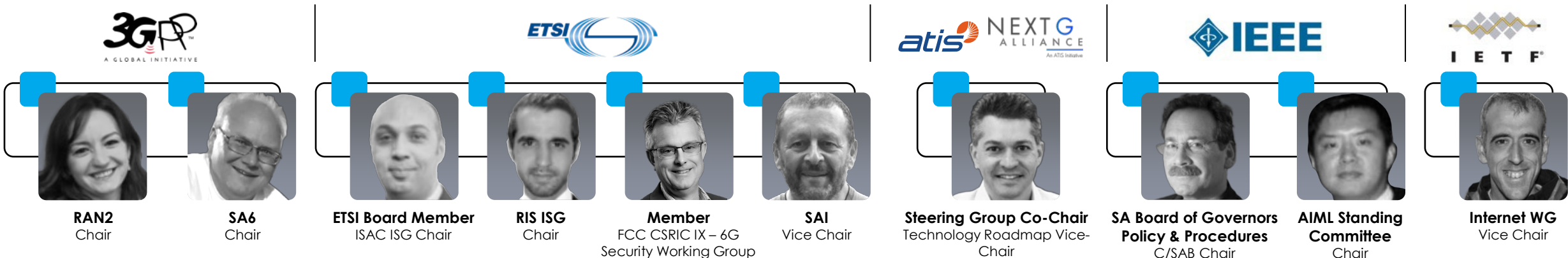
Collaborate with many industry partners and leading universities

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

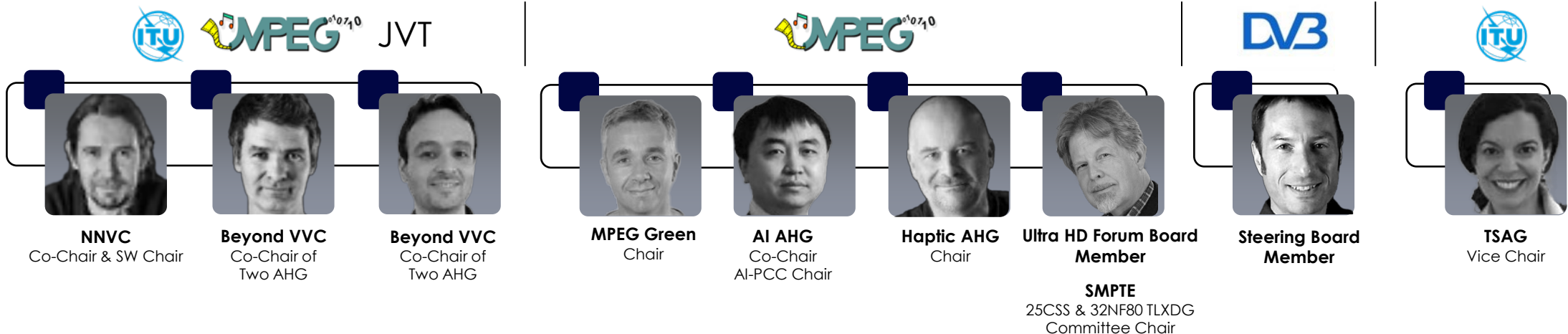


We Have Many Standard Development Leadership Positions

Cellular & WiFi Standards



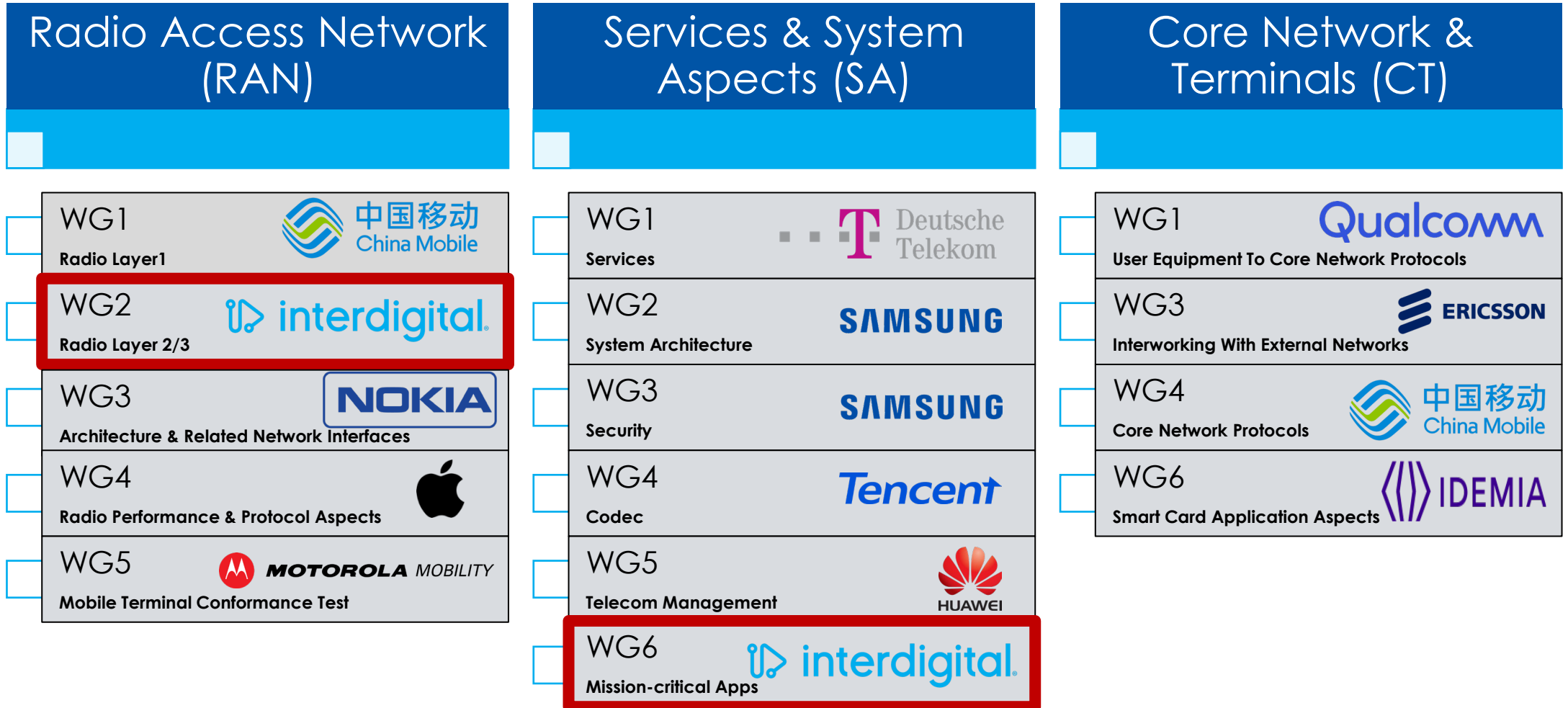
Video Standards



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

Innovation Momentum 2022: The Global Top 100 4

The 2022 Global Top 100

Patent Owner	HQ	Industry
Huawei	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

Coorfolk 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 several similar companies to be included 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.

CN: China, DE: Germany, IE: Ireland, KR: South Korea, TW: Taiwan, US: United States of America

LexisNexis Intellectual Property Solutions

2023:

LexisNexis Intellectual Property Solutions

Innovation Momentum 2023: The Global Top 100 9

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
Kennel	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 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.

Kennel A U.S.-based technology company that creates brain-machine interfaces, leveraging the strength of TDP-42G 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.

US: United States, DE: Germany, JP: Japan, IE: Ireland, KR: South Korea, TW: Taiwan

LexisNexis Intellectual Property Solutions

2024:

LexisNexis Intellectual Property Solutions

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.

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

LexisNexis Intellectual Property Solutions

2025:

LexisNexis Intellectual Property Solutions

Innovation Momentum 2025: The Global Top 100 10

The 2025 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
Kirakura 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
Mitsubishi	US	Information Technologies	10
Mitsubishi	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.

Kirakura 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.

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

LexisNexis Intellectual Property Solutions

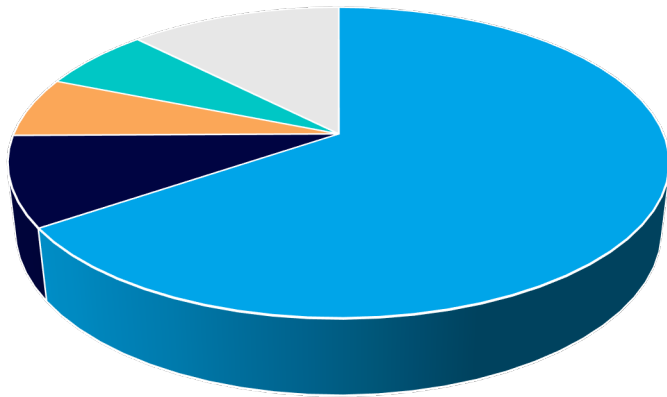


Innovation Engine Fuels Evergreen IP Portfolio

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

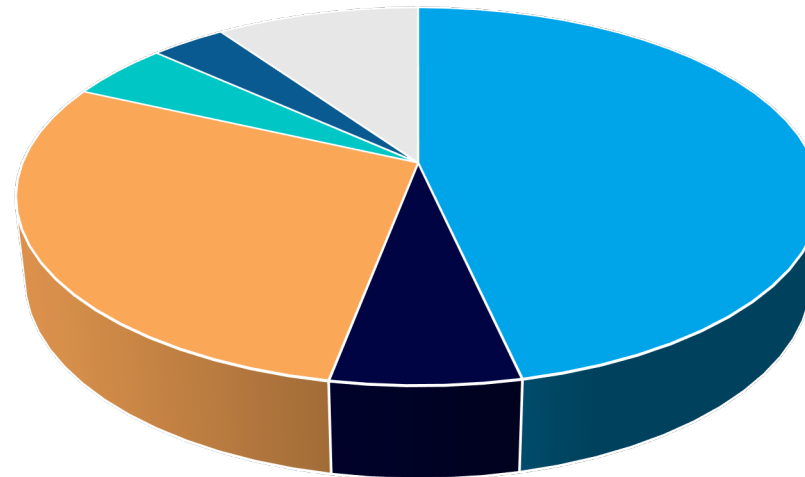
2017:

~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

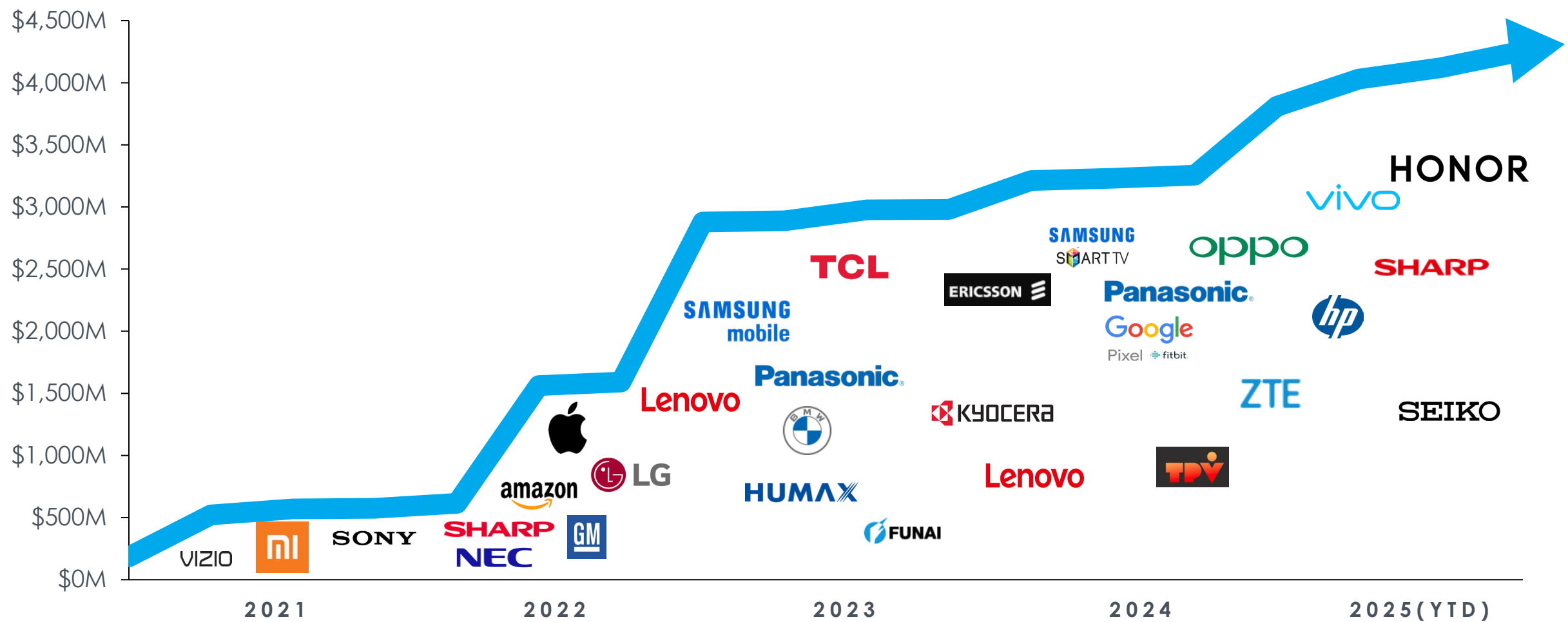


Accelerating Business Momentum

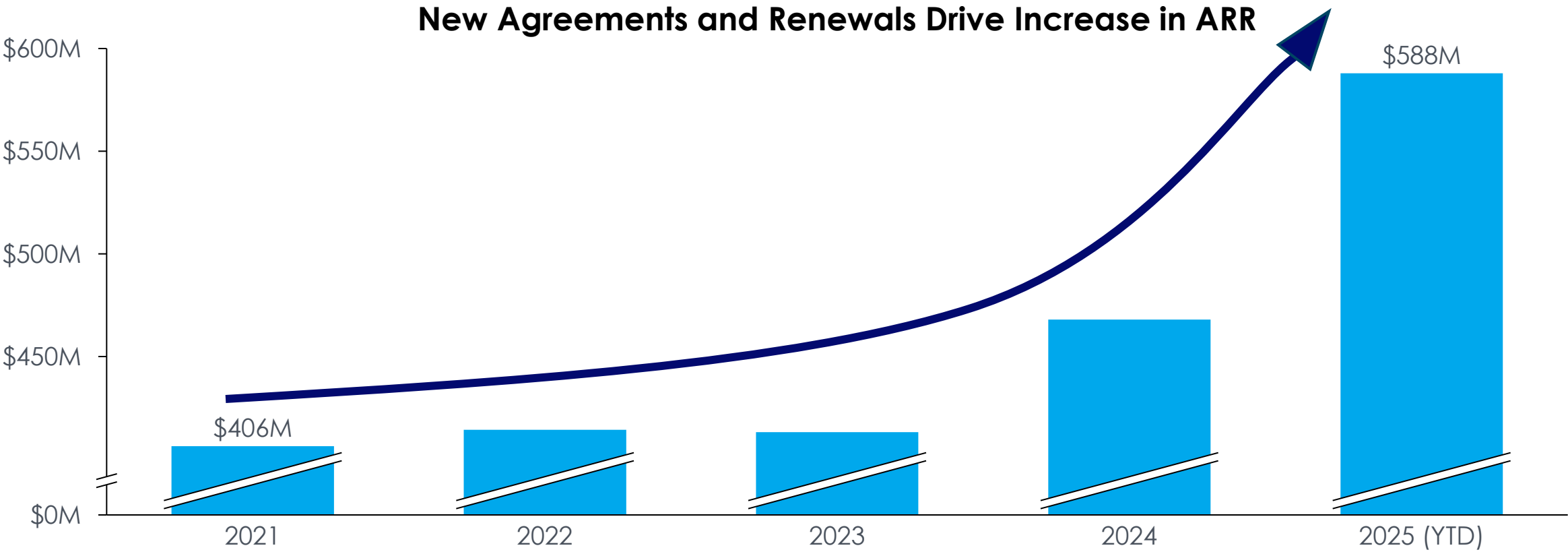


Licensing Momentum Drives Total Contract Value (TCV) Growth

More than 50 licenses with TCV > \$4B closed since the start of 2021



Licensing Success Drives ARR^a Growth

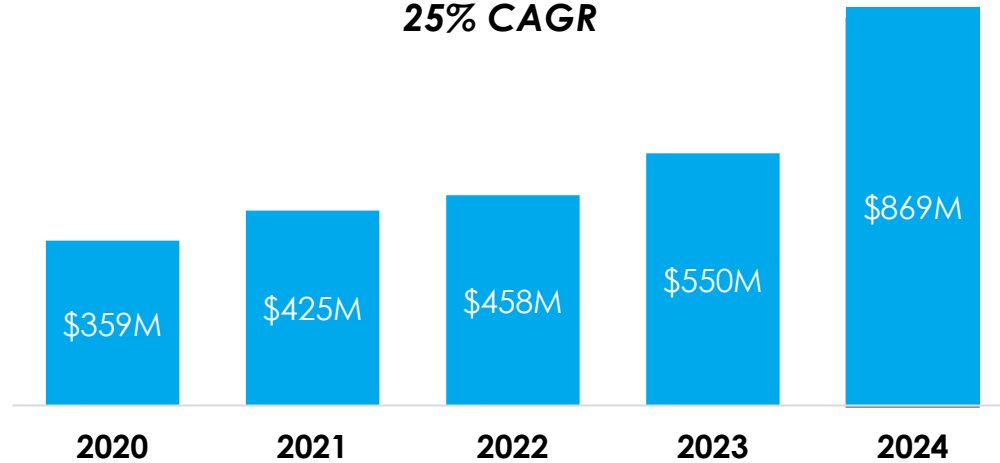


^a Please see appendix for a description of this metric and how it is calculated

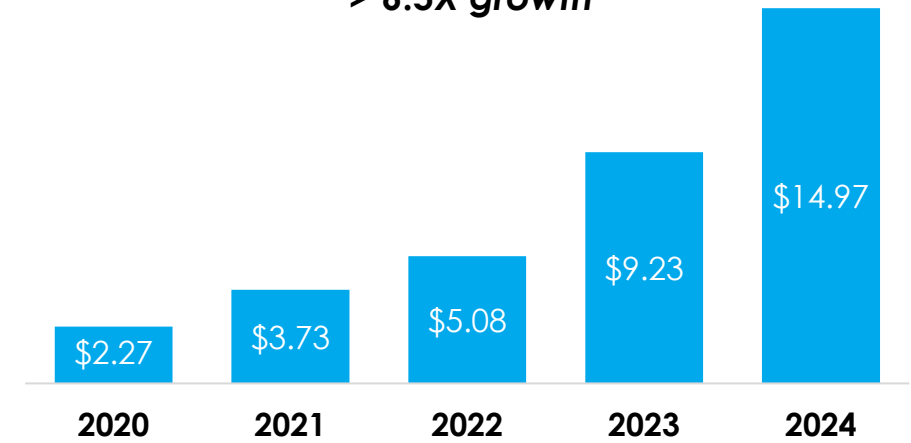


Strong Revenue Growth, Margins and Return of Capital

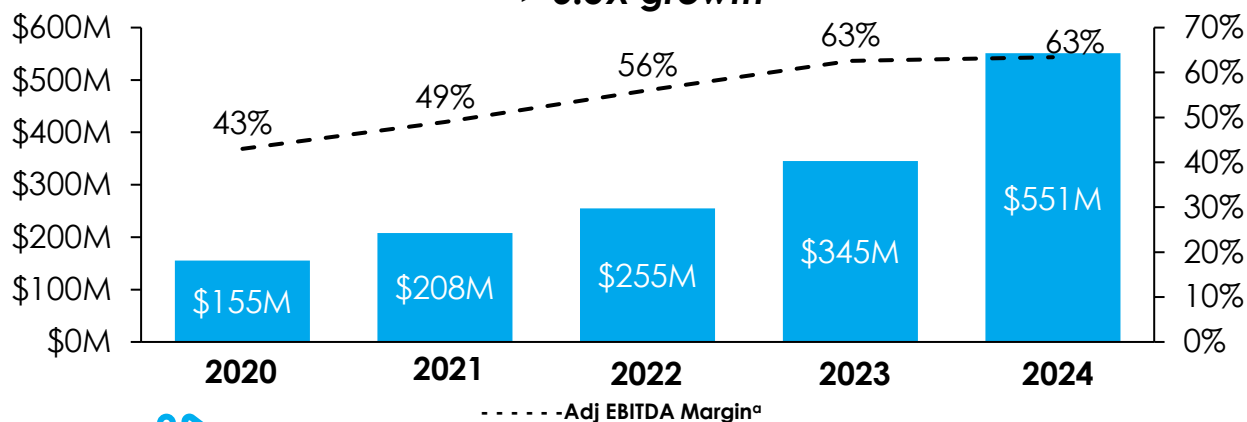
Revenue
25% CAGR



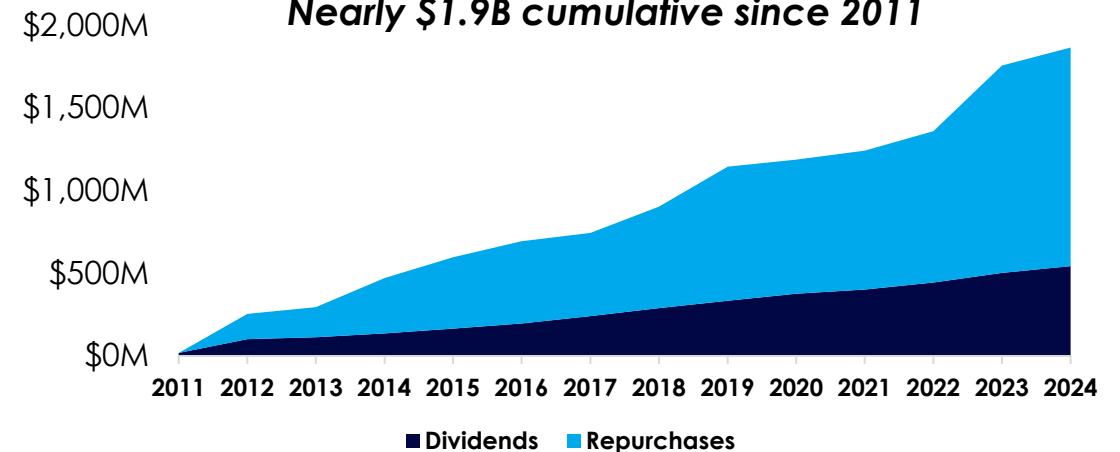
Non-GAAP EPS^a
> 6.5X growth



Adjusted EBITDA^a
> 3.5X growth



Return of Capital
Nearly \$1.9B cumulative since 2011



Long-term Growth Strategy



Our Technologies Benefit the Economy and the World


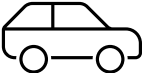
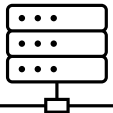
5.6 billion people globally subscribed to a mobile service, including 4.7 billion who used the mobile internet

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	~1.2B Units (~\$460B)	~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	~\$475B	~11%	<20	High growth with increasing focus on profitability

Sources: Counterpoint Research, Omdia

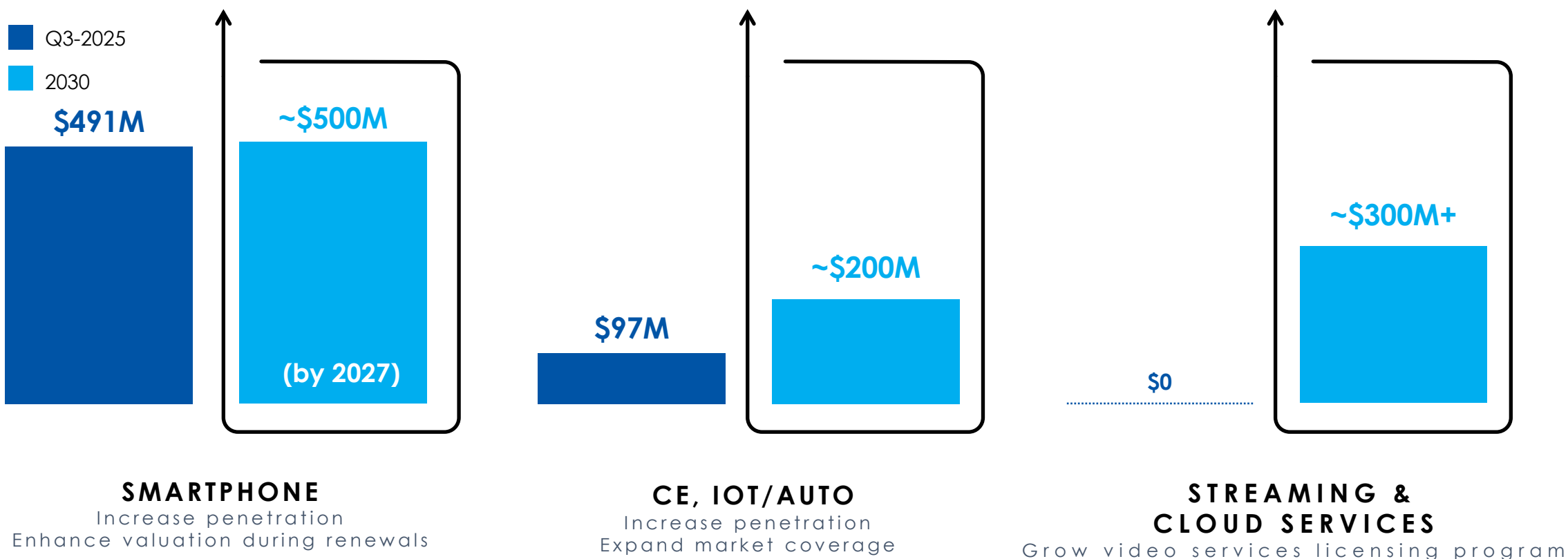
¹ Includes only value for Consumer Electronics and IoT Devices



Clear Pathway to Growth

\$1B+

ARR^a Target | 2030



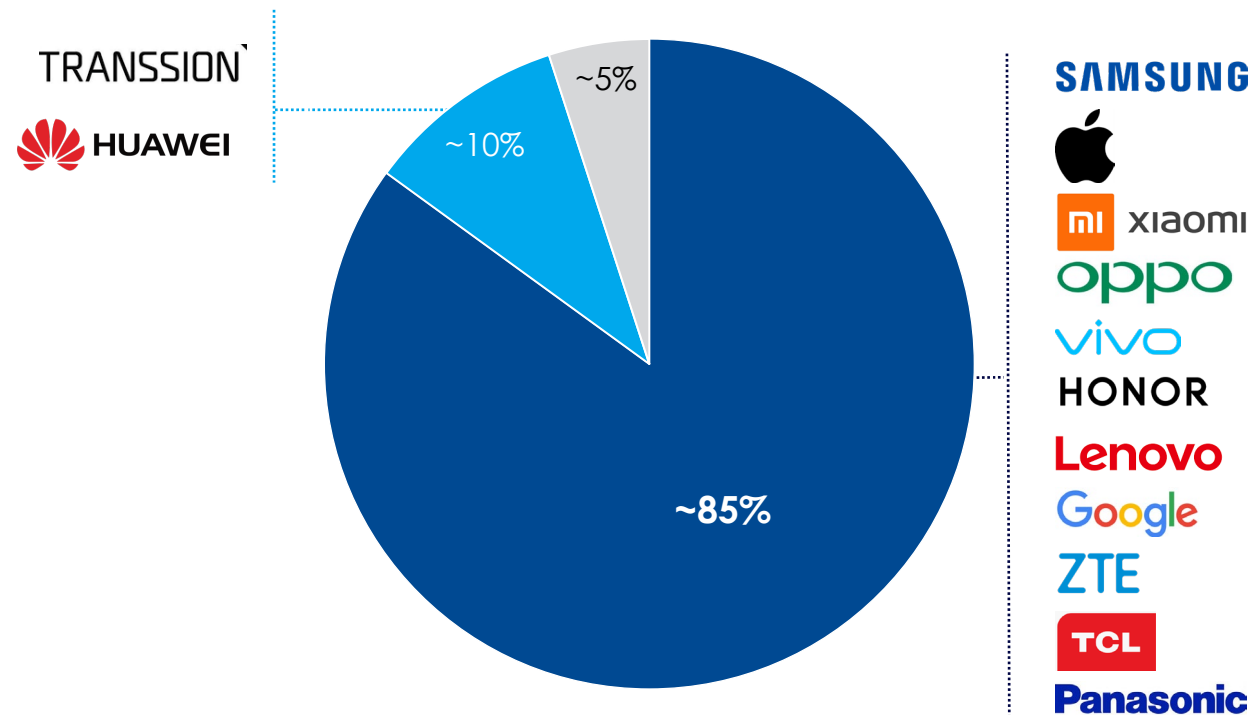
^a Please see appendix for a description of this metric and how it is calculated

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Strong Runway for Continued Smartphone Growth

2025E SMARTPHONE SHIPMENTS: ~1.2B



Licensing coverage: ~85%

- Increase of ~5% w/recent major Chinese OEM license agreement
- Majority of top 10 now under license
- Large global market, projected at 3% CAGR thru '28
- Focus on driving higher value from key customers during renewal cycle



1. Lenovo in binding arbitration

Source: Counterpoint Research

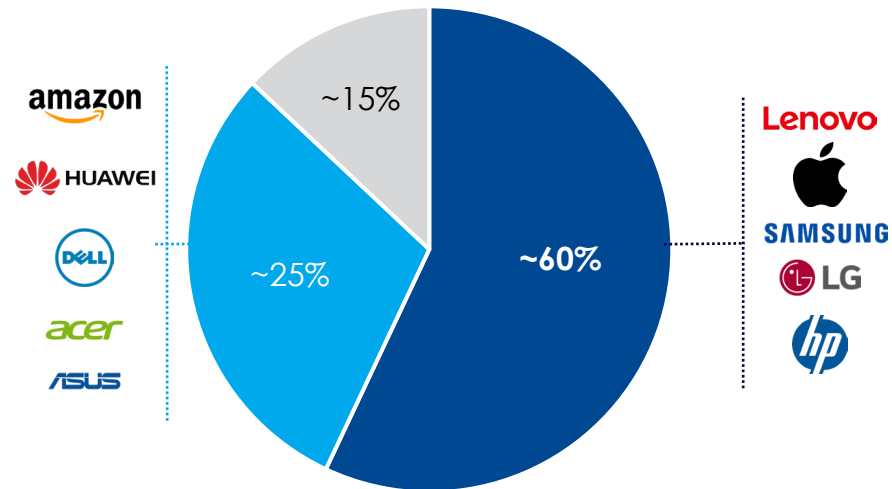


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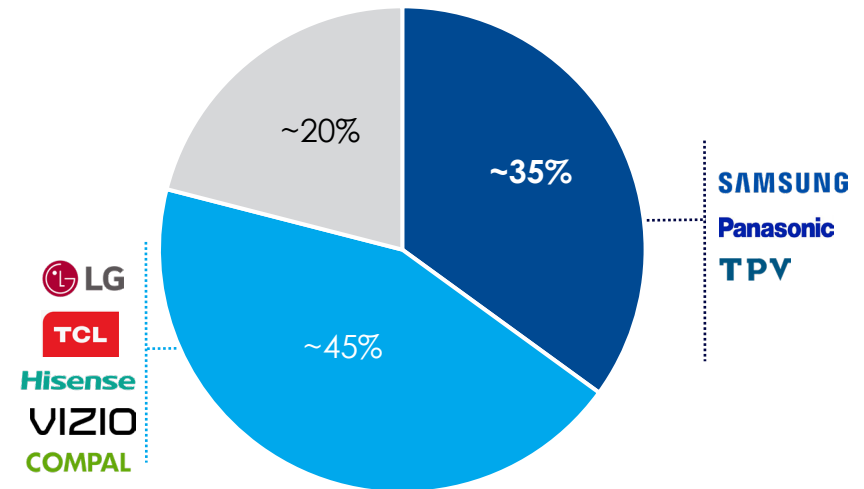
Good Momentum in CE - Large Opportunity Remains

License coverage based on HEVC

PCs & TABLETS: ~385M



TVs: ~210M



■ Licensed ■ Primary Opportunity ■ Long Tail

Note: Figures represent 2025 estimated shipments
Source: Omdia

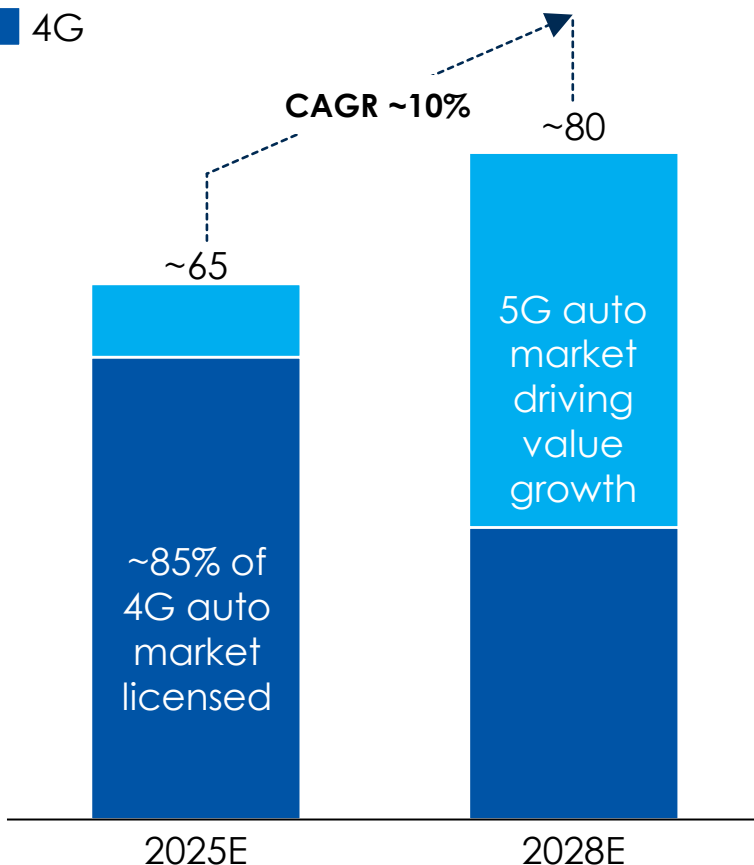


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Strong Growth Opportunity in Automotive and IoT

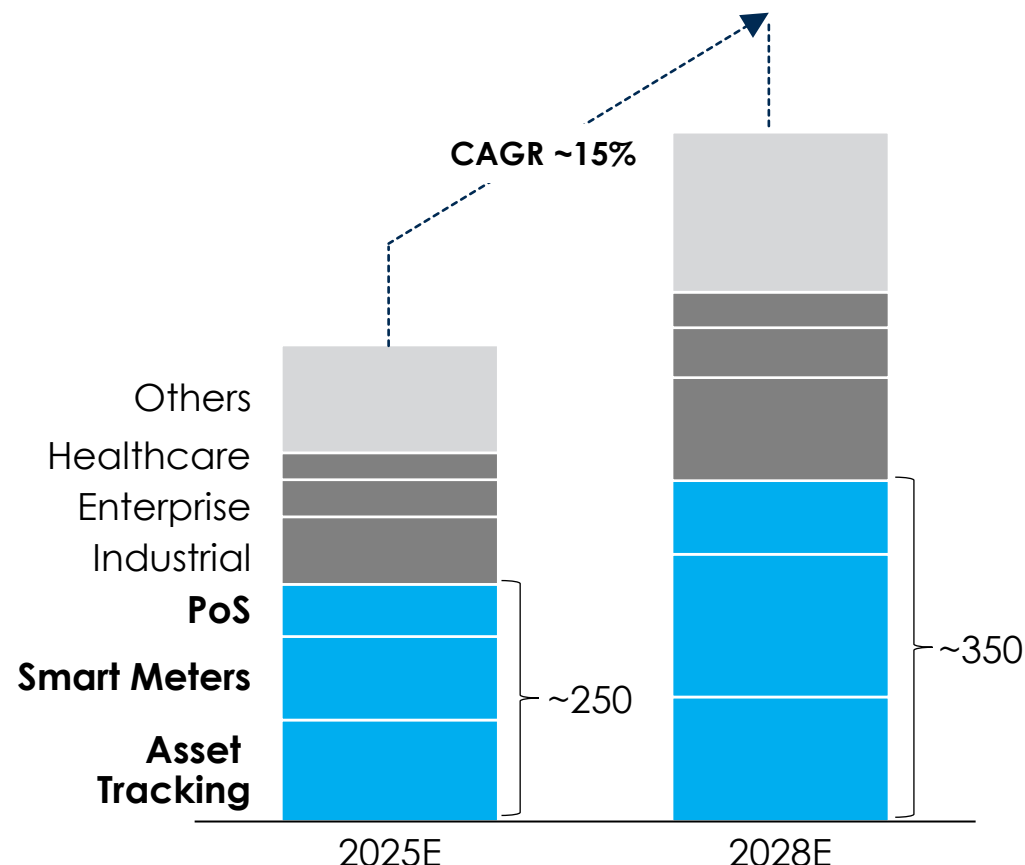
PASSENGER VEHICLE SHIPMENTS (M)

5G
4G



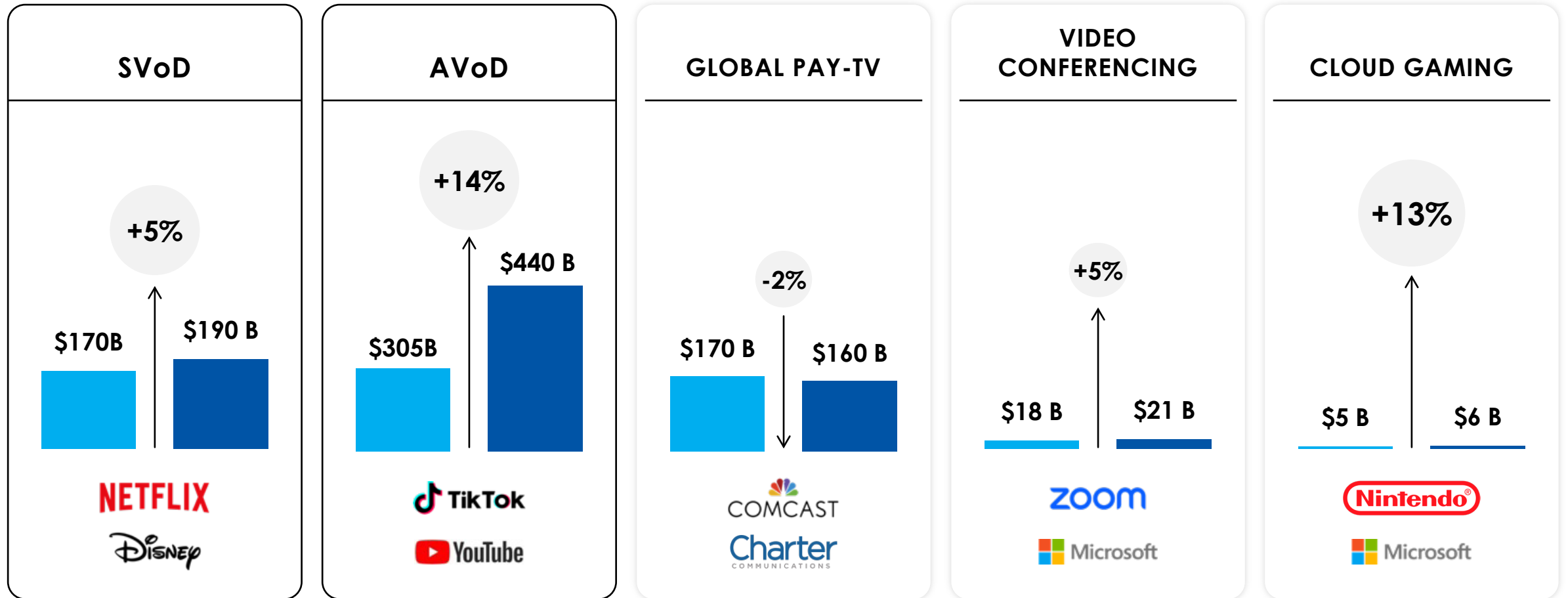
CELLULAR IOT SHIPMENTS (M)

Active Licensing Program



SVoD and AVoD Are Our Initial Focus

■ 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

~\$1.4B in share repurchases since '11

Dividend increase of 17% announced Sep '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

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 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.

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 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 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.



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		
2020	2021	2022	2023	2024		Q3'25	Q3'24	Q3'25	Q4'25	Full Year 2025
\$ 45	\$ 55	\$ 94	\$ 214	\$ 359		\$ 68	\$ 34	\$49 - \$55	\$26 - \$34	\$389 - \$397
(7)	(13)	(2)	(3)	-		-	-	-	-	-
(7)	15	26	24	71		8	7	11	8	64
24	14	33	(13)	10		-	(2)	1	-	(6)
81	78	79	78	70		20	18	20	21	78
10	29	22	36	46		9	9	10	11	42
9	30	3	10	(4)		-	(1)	-	2	2
\$ 155	\$ 208	\$ 255	\$ 345	\$ 551		\$ 105	\$ 65	\$91 - \$97	\$68 - \$76	\$569 - \$577
43%	49%	56%	63%	63%		64%	50%	60%	49%	70%
\$ -	\$ 28	\$ 3	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
9	-	-	3	-		-	-	-	-	-
-	2	-	-	-		-	-	-	2	2
-	-	-	8	(4)		-	(1)	-	-	-
\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)		\$ -	\$ (1)	\$ -	\$ 2	\$ 2
						\$ 396				
						(1)				
						(14)				
						\$ 381				

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	Q3'25	Q3'24	Q3'25	Q4'25	Full Year 2025
Net income attributable to InterDigital, Inc.	\$ 45	\$ 55	\$ 94	\$ 214	\$ 359	\$ 68	\$ 34	\$49 - \$55	\$26 - \$34	\$389 - \$397
Share-based compensation	10	29	22	36	46	9	9	10	11	42
Acquisition related amortization	44	42	42	41	33	9	8	9	9	36
Other operating items	9	30	3	10	(4)	-	(1)	-	2	2
Other non-operating items	(4)	(11)	13	(14)	(2)	-	-	-	-	-
Related income tax and noncontrolling interest effect of above items	(12)	(26)	(17)	(17)	(15)	(4)	(3)	(4)	(5)	(17)
Adjustments to income taxes	(21)	(2)	(2)	(16)	(7)	(4)	(2)	-	-	(9)
Non-GAAP net income	\$ 70	\$ 117	\$ 155	\$ 254	\$ 409	\$ 78	\$ 45	\$64 - \$70	\$43 - \$51	\$443 - \$451

Weighted average dilutive shares - GAAP

Less: Dilutive impact of the Convertible Notes

Weighted average dilutive shares - Non-GAAP

Diluted EPS

Non-GAAP EPS

	31.1	31.3	30.5	28.1	29.7	34.9	30.0	35.3	35.9	34.5
	-	-	-	0.5	2.4	4.3	2.4	4.5	4.7	4.1
	31.1	31.3	30.5	27.6	27.3	30.6	27.6	30.8	31.2	30.4
Diluted EPS	\$ 1.44	\$ 1.77	\$ 3.07	\$ 7.62	\$ 12.07	\$ 1.93	\$ 1.14	\$1.39 - \$1.56	\$0.72 - \$0.95	\$11.27 - \$11.50
Non-GAAP EPS	\$ 2.27	\$ 3.73	\$ 5.08	\$ 9.23	\$ 14.97	\$ 2.55	\$ 1.63	\$2.08 - \$2.27	\$1.38 - \$1.63	\$14.57 - \$14.83
Other Operating Items										
Restructuring	\$ -	\$ 28	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other non-cash charges	9	-	-	3	-	-	-	-	-	-
Non-recurring personnel-related	-	2	-	-	-	-	-	-	2	2
Net litigation fee reimbursement	-	-	-	8	(4)	-	(1)	-	-	-
Total Other Operating Items	\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)	\$ -	\$ (1)	\$ -	\$ 2	\$ 2

Other Non-operating Items

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

NOTE: Sums may not equal total due to rounding

