



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

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

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

*Q3 outlook increased on September 22, 2025



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

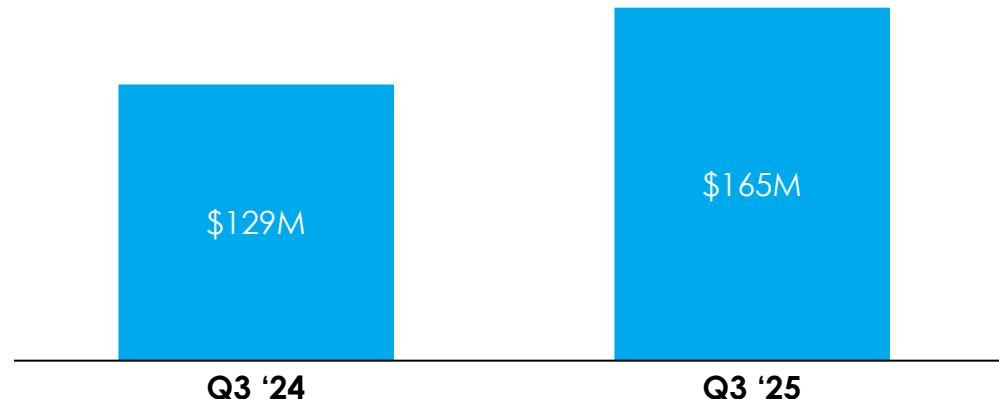
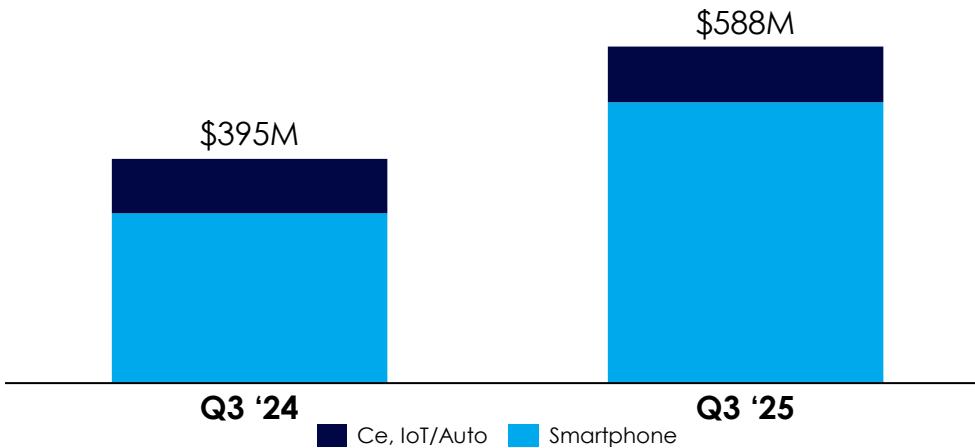
^aNon-GAAP Measure / Please see appendix for GAAP to Non-GAAP reconciliations.



Q3'25 Results

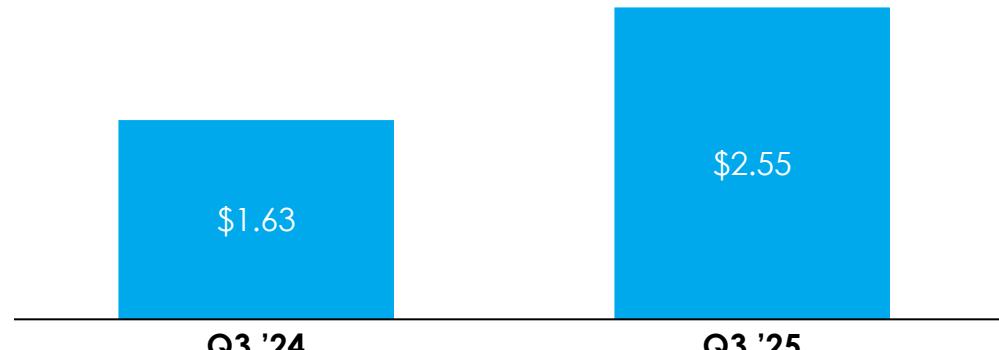
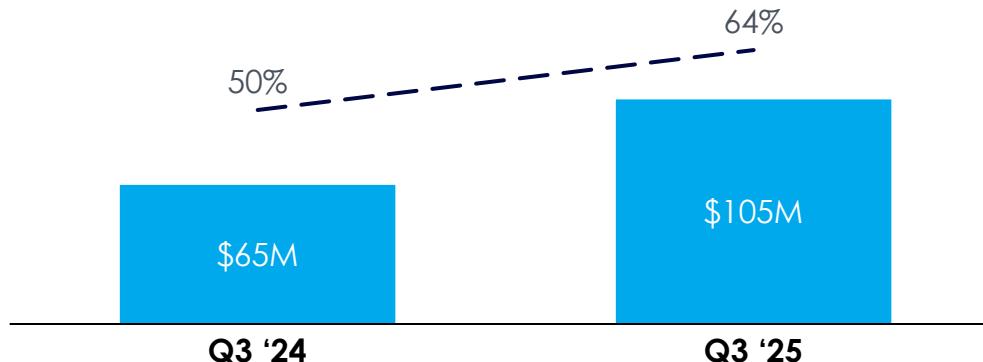
ARR^a
+49% YoY

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



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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:    

*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



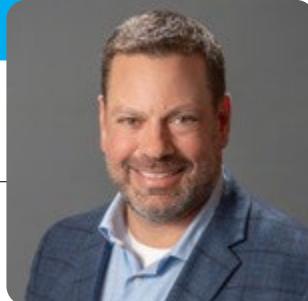
Rajesh Pankaj
CTO



Rich Brezski
CFO



Julia Mattis
Chief Licensing
Officer



Michael Cortino
Chief Information
Officer



Ken Kaskoun
Chief Growth Officer



Skip Maloney
Chief People Officer



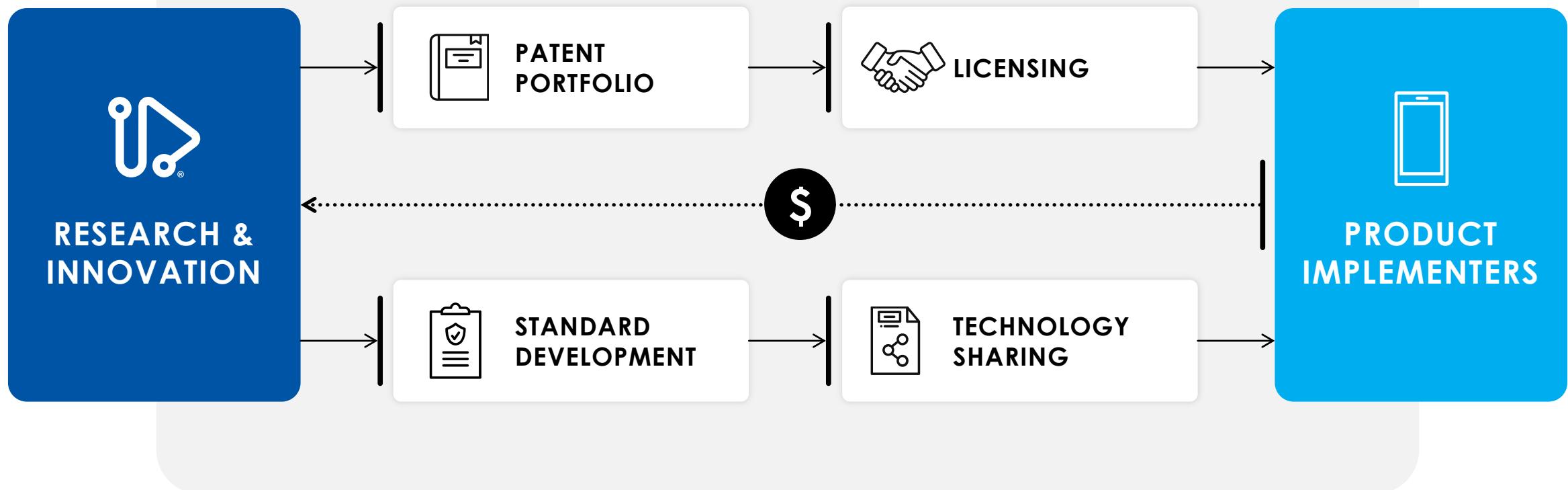
Joshua Schmidt
Chief Legal Officer



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

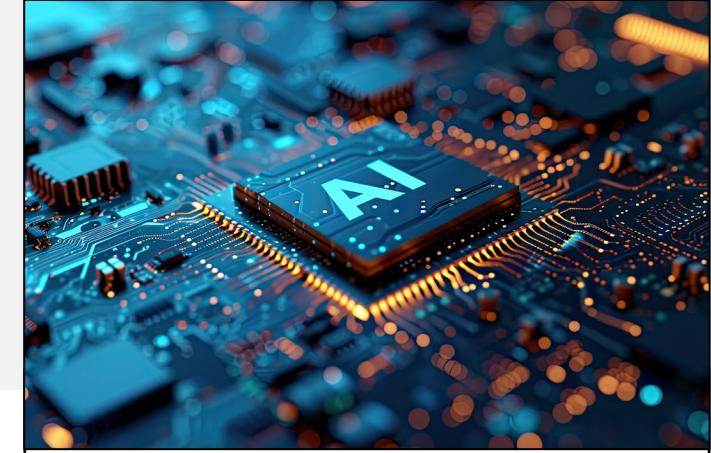
WiFi and wireless local area networks



VIDEO

Video compression, transport and enhancement

Immersive media compression, transport and enhancement



AI

Using AI for wireless and video

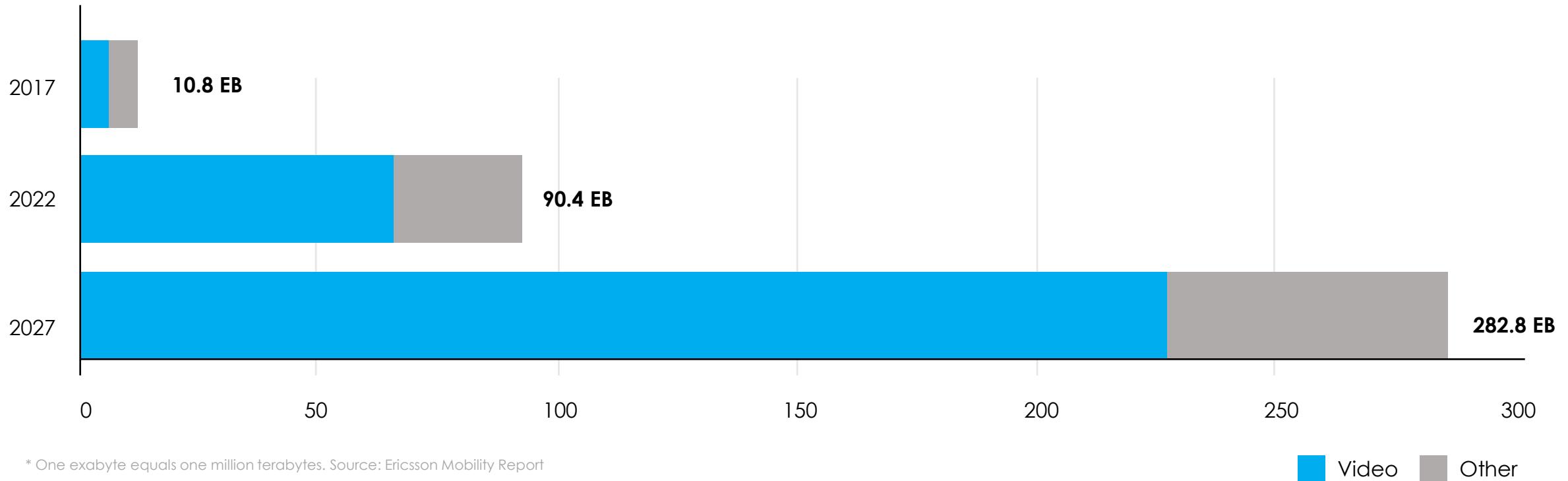
Video coding for use by AI

Our research and patents in these areas underpin our business

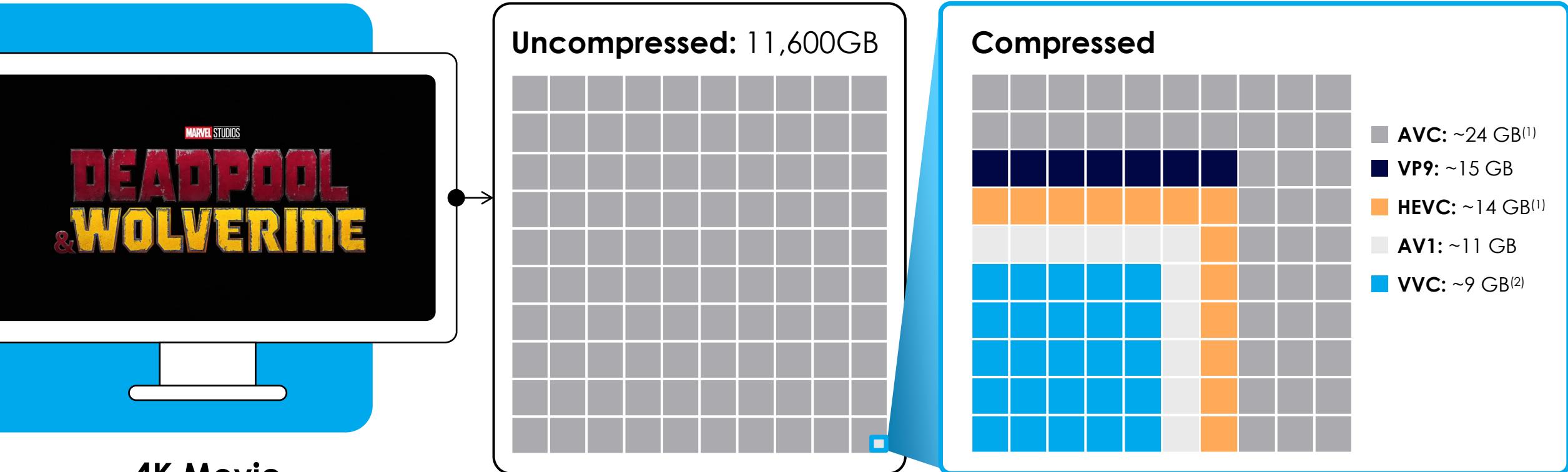
InterDigital Tech Underpins Surging Mobile Traffic

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



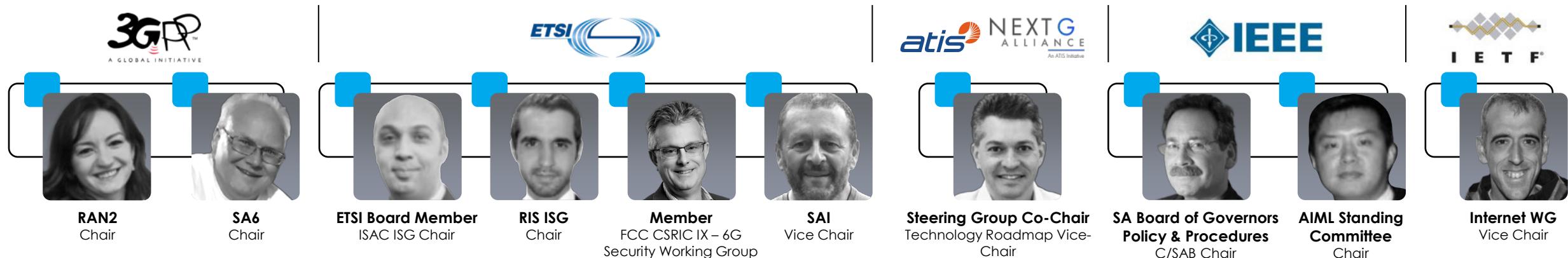
BROAD COLLABORATIONS

Collaborate with many industry partners and leading universities

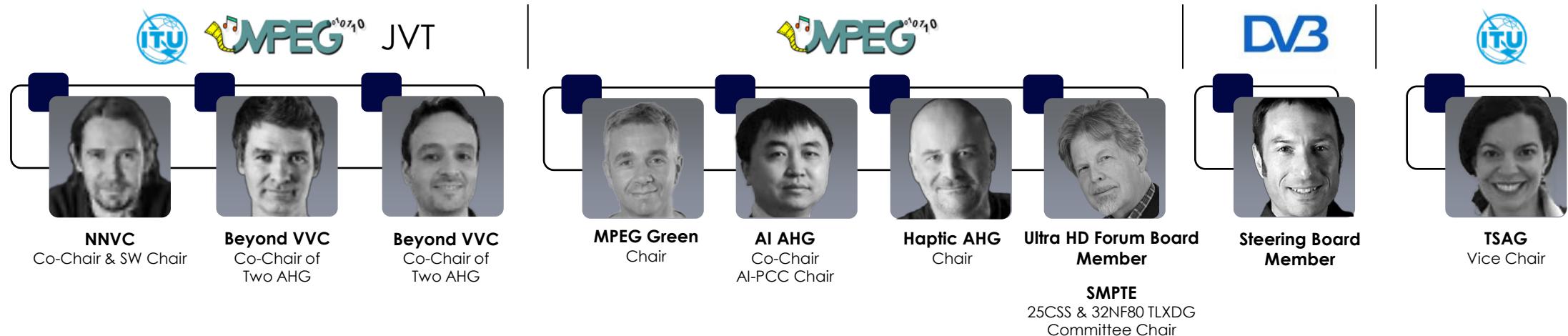
Our technologies benefit the whole eco-system: billions of devices and many cloud-based services each year

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

Radio Access Network (RAN)

WG1	中国移动 China Mobile
WG2	interdigital.
WG3	NOKIA
WG4	Apple
WG5	MOTOROLA MOBILITY

Services & System Aspects (SA)

WG1	Deutsche Telekom
WG2	SAMSUNG
WG3	SAMSUNG
WG4	Tencent
WG5	HUAWEI
WG6	interdigital.

Core Network & Terminals (CT)

WG1	Qualcomm
WG3	ERICSSON
WG4	中国移动 China Mobile
WG6	IDEMEDIA



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:

Innovation Momentum 2022: The 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
Jud Labs	US	Consumer Goods
KLA	US	Semiconductors
Lam Research	US	Semiconductors
LarGAN Precision	TW	Engineering
LG Chem	KR	Chemical 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
Geoffek		
is an acoustic component company that is supplying to consumer product companies like Apple and Samsung		
IntelDigital		
is a research and development company primarily focused on modern telecommunications, in addition to working on the development of standards such as 5G, with the majority of its revenue resulting from licensing fees		
Juul Labs		
is a tobacco company focused on electronic alternatives to traditional cigarettes. While development in recent years has been a major reason for success, Juul Labs companies to be included in the top 100		
LG Chem		
is Korea's largest chemical company, having different products, 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 range 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		

2023:

2024:

The 2024 Global Top 100				Innovation Momentum 2024: The Global Top 100
Patent Owner	HQ	Industry	*New to the Top 100 †Re-entered the Top 100	
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		
KLIA*	US	Semiconductors		
Korea Tobacco & Ginseng	KR	Consumer Goods		
Lam Research	US	Semiconductors		
LG Chem	KR	Chemicals and Materials		
LG Electronics	KR	Electronics		
Lumus*	IL	Electronics		
Macronix	TW	Semiconductors		
Magic Leap	US	Electronics		
Masimo	US	Medical Technologies		
Metashape	TW	Semiconductors		
Metronic	IE	Medical Technologies		

2025

Innovation Momentum 2025: The Global Top 100				
Patent Owner	HQ	Industry	Years Featured	
Intel	US	Semiconductors	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Intel Holdings: A leading semiconductor manufacturer, providing a range of integrated products and engineering services.
InterDigital	US	Technology R&D	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	InterDigital: A wireless corporation that provides technologies and manufacturing industry, providing a range of test products and engineering services.
Inuitive Surgical	US	Medical Technologies	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Inuitive Surgical: A medical company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
Japan Tobacco	JP	Consumer Goods	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Japan Tobacco: A Japanese corporation that provides a range of tobacco, nicotine, makeup, and fragrance products.
JFE Holdings	JP	Engineering	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	JFE Holdings: A French multinational company that provides a range of engineering services to a wide range of clients, including
Johnson & Johnson	US	Pharmaceuticals	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Johnson & Johnson: A French pharmaceutical company that provides a range of pharmaceutical products for the global pharmaceutical industry.
Juniper Networks	US	Information Technologies	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Juniper Networks: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
KLA	US	Semiconductors	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	KLA: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
Kokusai Electric	JP	Semiconductors	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Kokusai Electric: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
KT&G	KR	Consumer Goods	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	KT&G: A French multinational company that provides a range of engineering services to a wide range of clients, including
L'Oréal	FR	Consumer Goods	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	L'Oréal: A French multinational company that provides a range of tobacco, nicotine, makeup, and fragrance products.
Lam Research	US	Semiconductors	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Lam Research: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
LG Chem	KR	Chemicals and Materials	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	LG Chem: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
LG Electronics	KR	Electronics	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	LG Electronics: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
Magic Leap	US	Electronics	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Magic Leap: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
Masimo Corp.	US	Medical Technologies	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Masimo Corp.: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
MediDisk	TW	Semiconductors	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	MediDisk: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
Medtronic	IE	Medical Technologies	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Medtronic: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
Meta	US	Information Technologies	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Meta: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.
Moderna Therapeutics	US	Pharmaceuticals	2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022	Moderna Therapeutics: A Japanese company specializing in semiconductor manufacturing, providing a range of products for the global electronics industry.



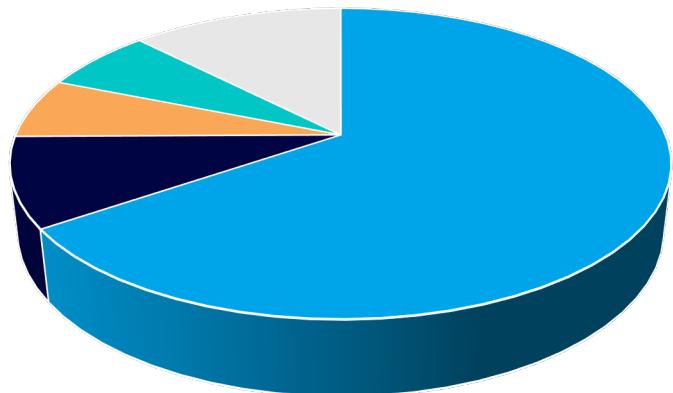
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Innovation Engine Fuels Evergreen IP Portfolio

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

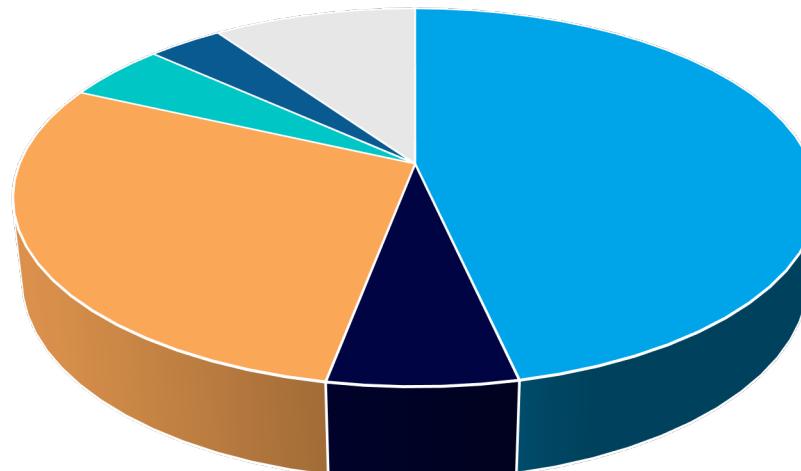
2017:

~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



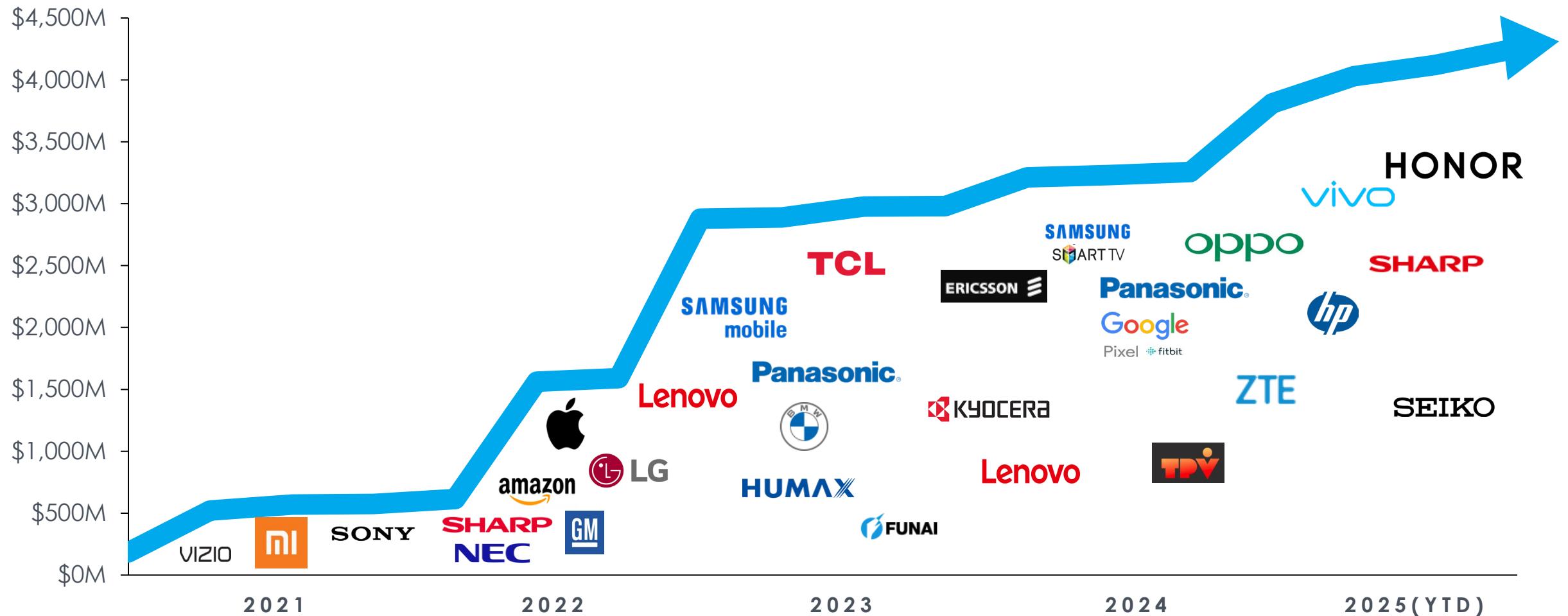
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Accelerating Business Momentum

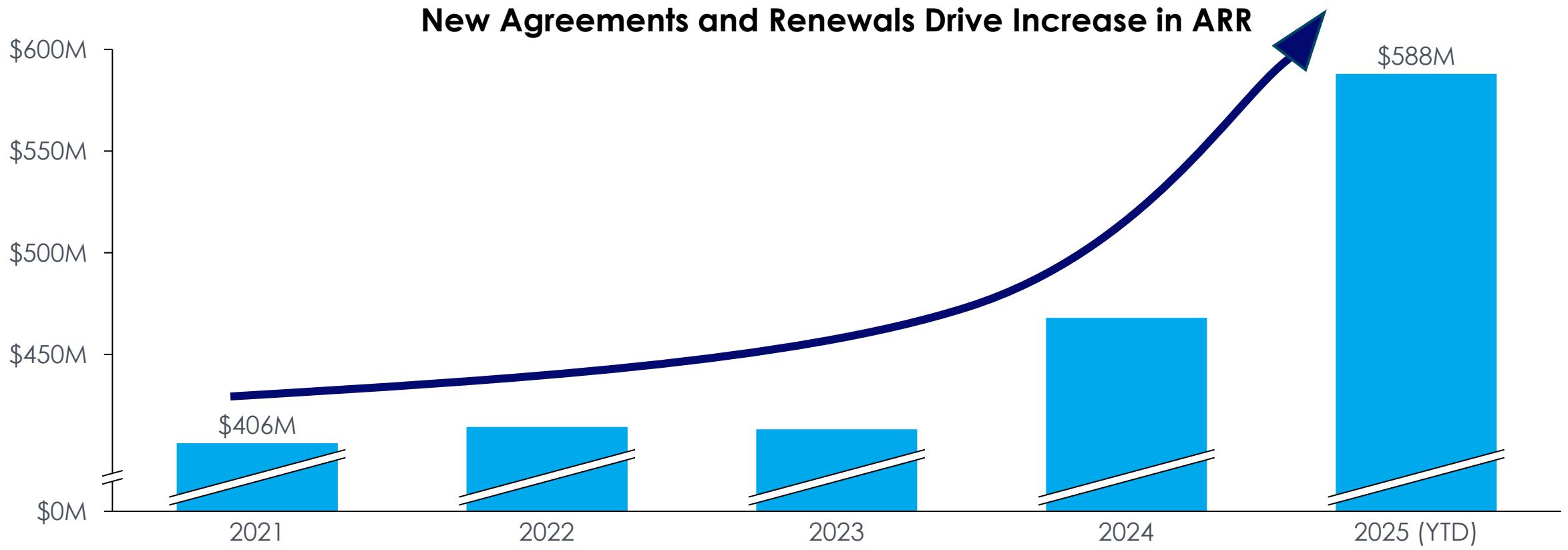


Licensing Momentum Drives Total Contract Value (TCV) Growth

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



Licensing Success Drives ARR^a Growth

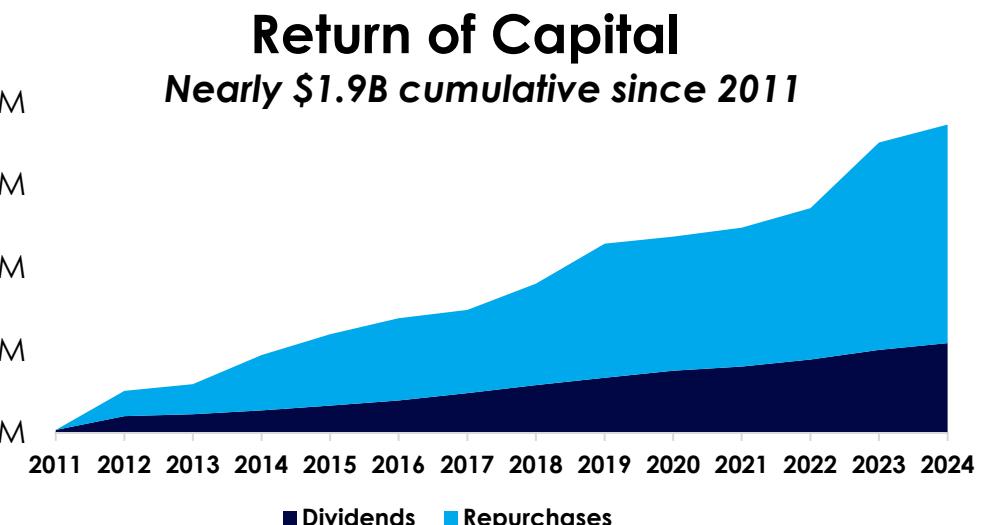
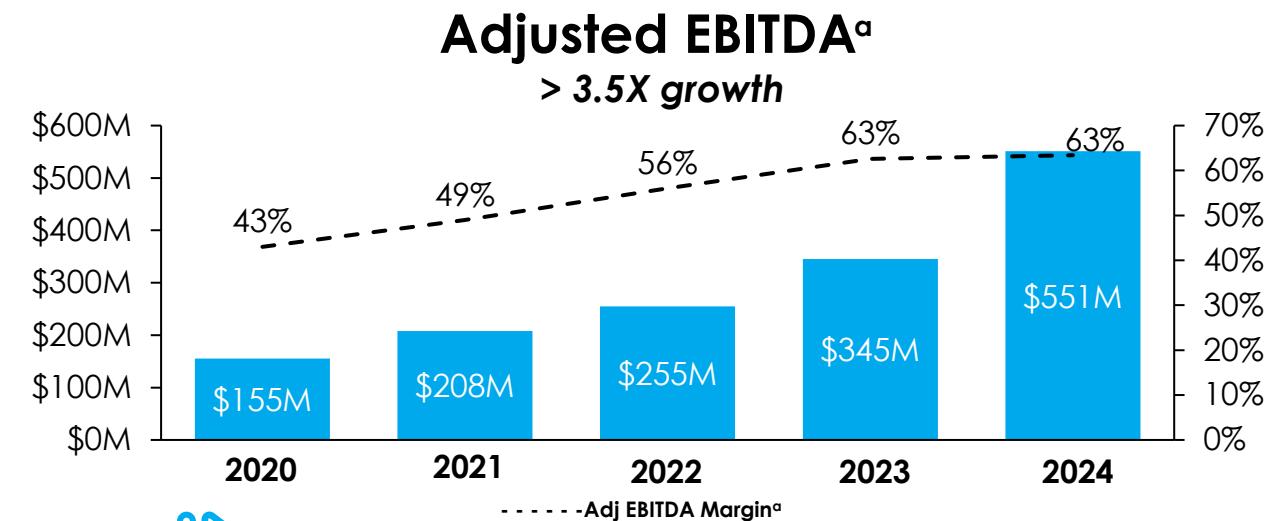
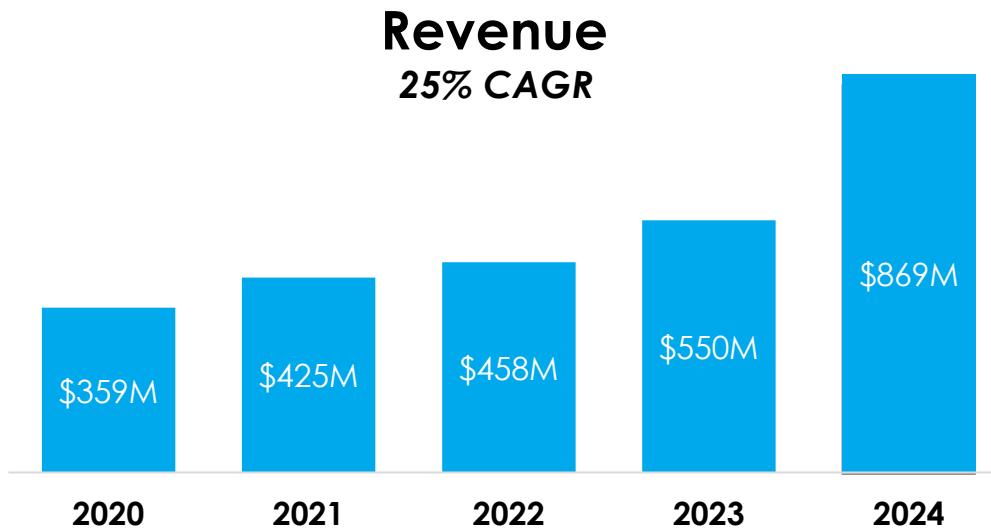


^a Please see appendix for a description of this metric and how it is calculated



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Strong Revenue Growth, Margins and Return of Capital



Long-term Growth Strategy



Our Technologies Benefit the Economy and the World

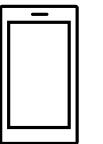
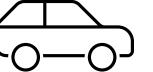
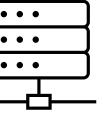
5.6 billion people globally subscribed to a mobile service, including 4.7 billion who used the mobile internet

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

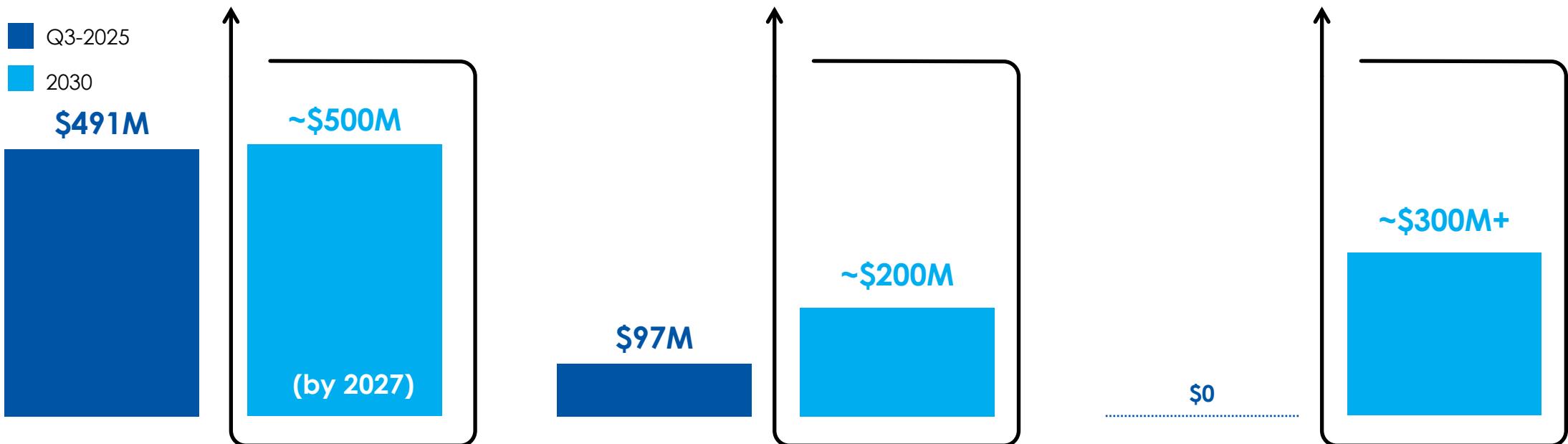
Sources: Counterpoint Research, Omdia

¹ Includes only value for Consumer Electronics and IoT Devices



Clear Pathway to Growth

\$1B+ ARR^a Target | 2030



SMARTPHONE

Increase penetration
Enhance valuation during renewals

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



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CE, IOT/AUTO

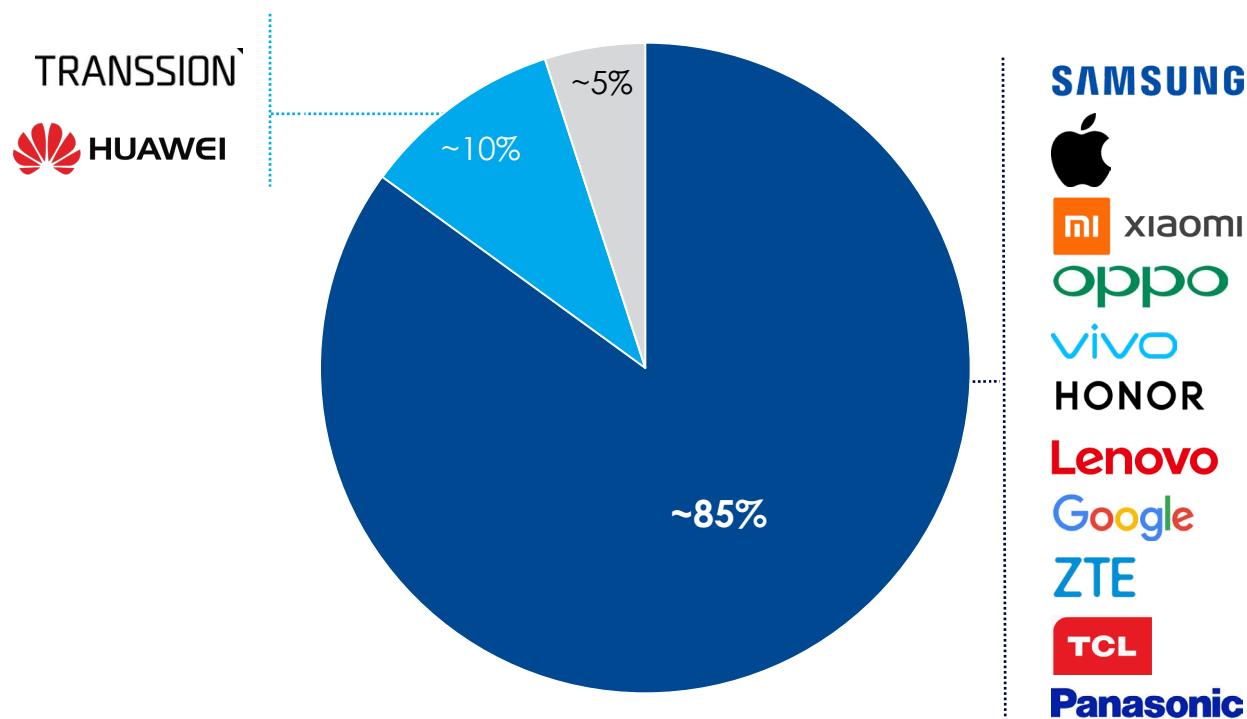
Increase penetration
Expand market coverage

STREAMING & CLOUD SERVICES

Grow video services licensing program

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

- Licensed¹
- Primary Opportunity
- Long Tail

1. Lenovo in binding arbitration

Source: Counterpoint Research

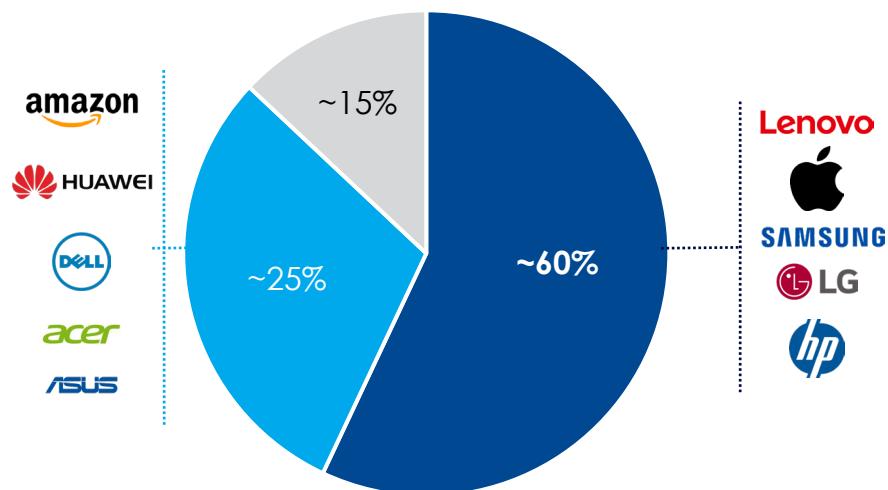


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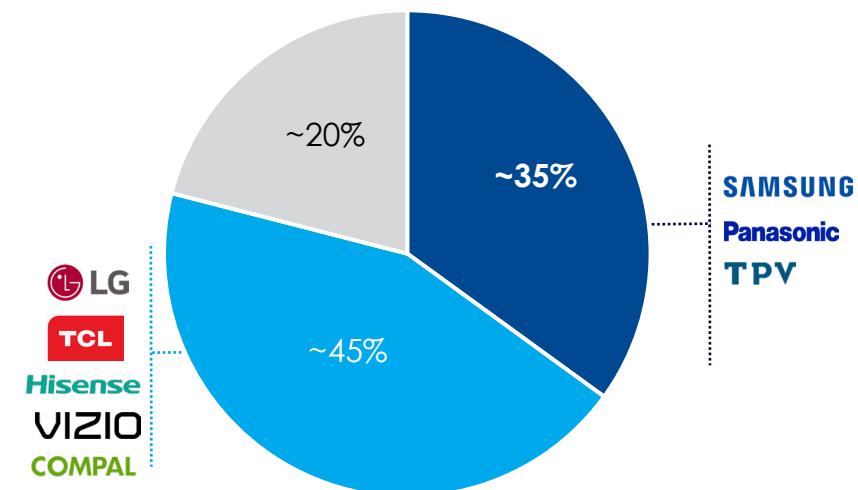
Good Momentum in CE - Large Opportunity Remains

License coverage based on HEVC

PCs & TABLETS: ~385M



TVs: ~210M



■ Licensed ■ Primary Opportunity ■ Long Tail

Note: Figures represent 2025 estimated shipments

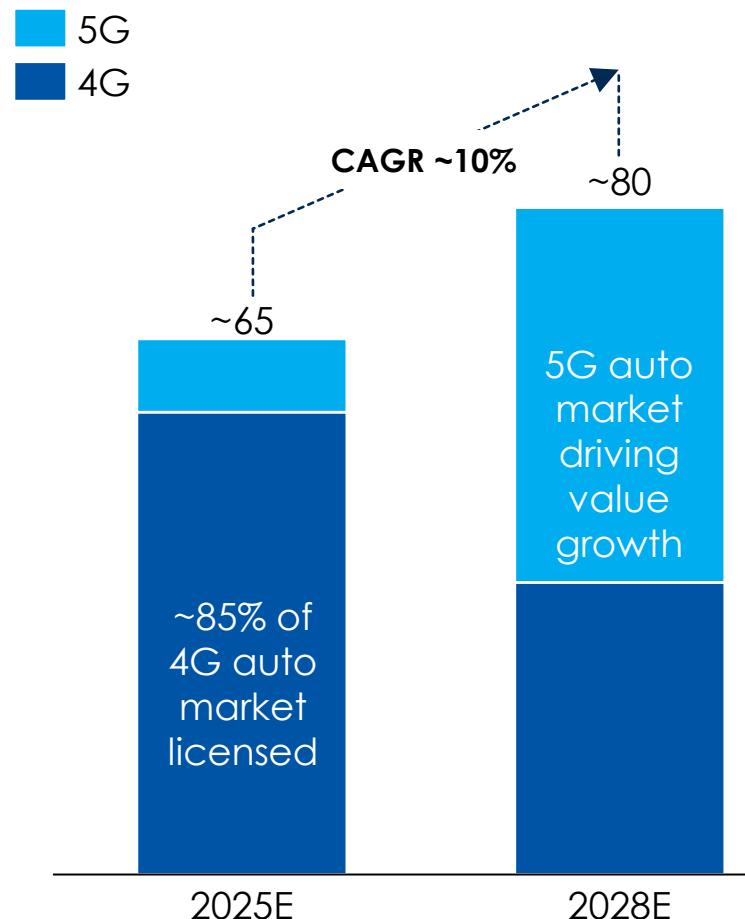
Source: Omdia



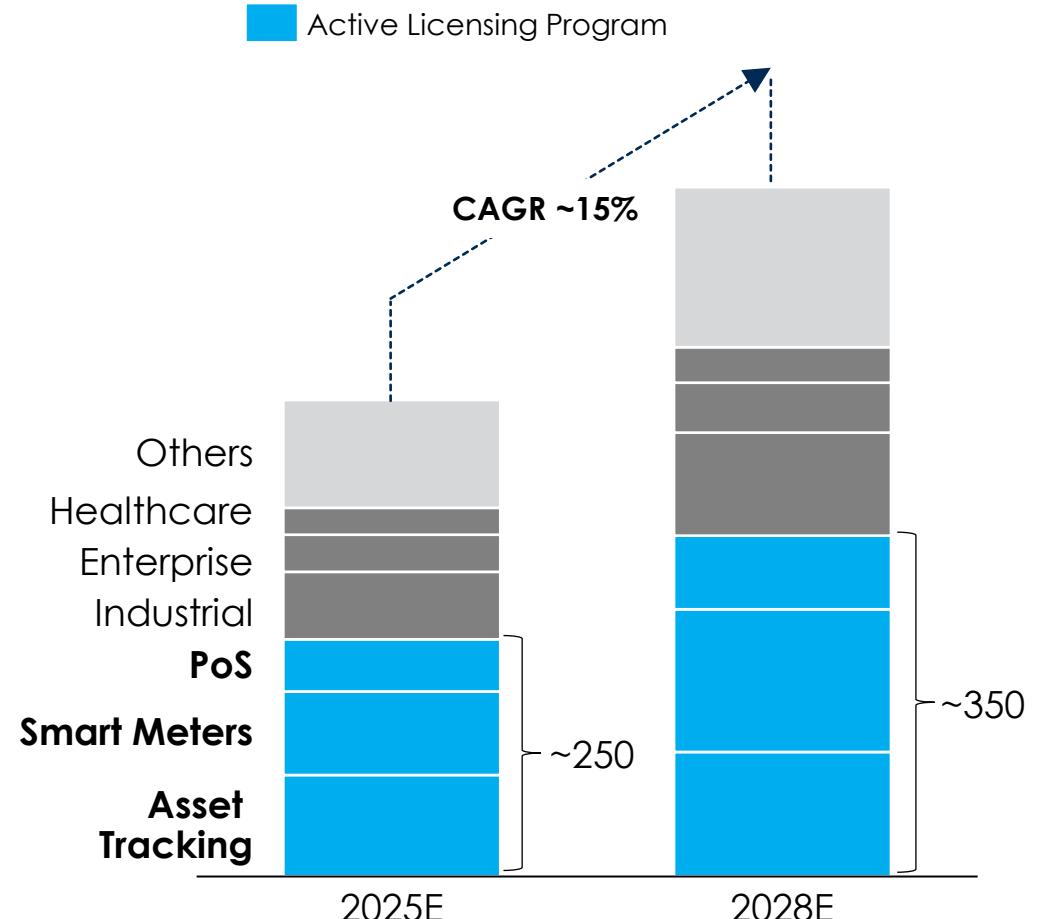
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Strong Growth Opportunity in Automotive and IoT

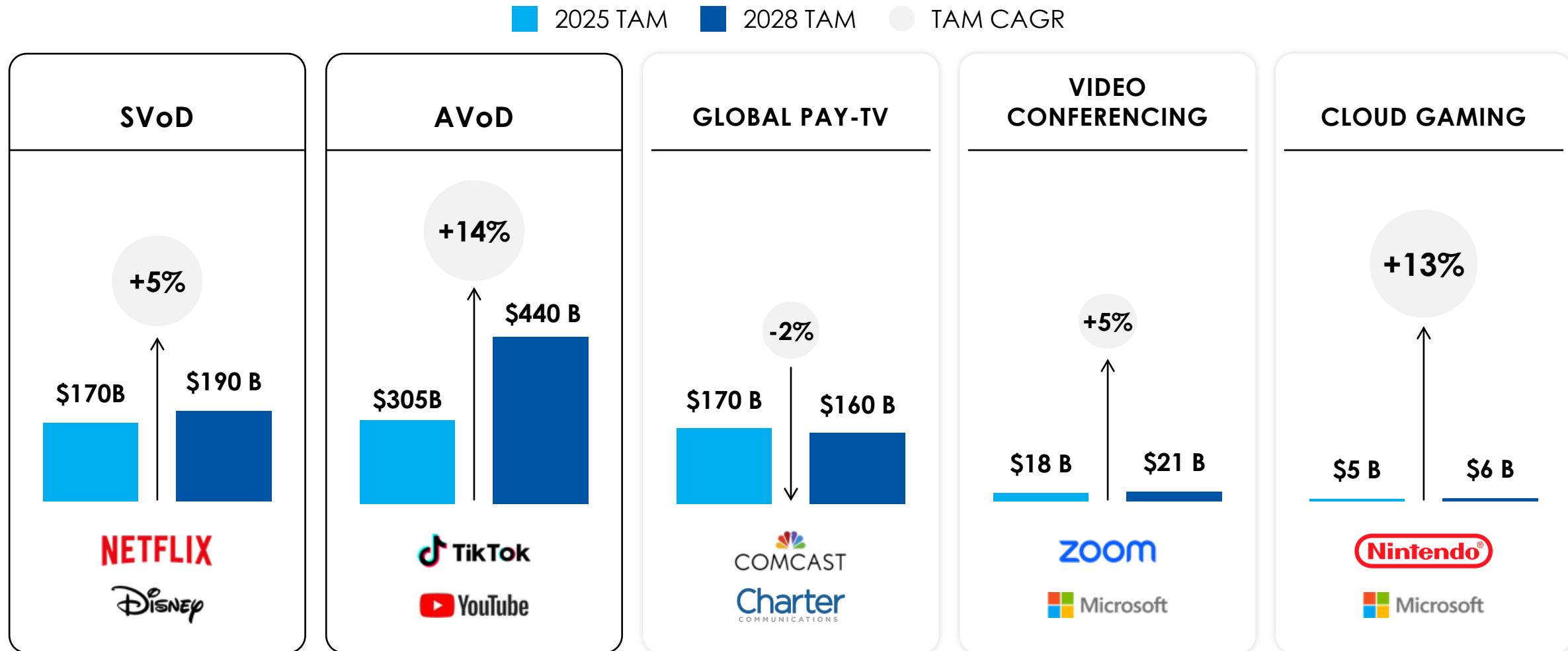
PASSENGER VEHICLE SHIPMENTS (M)



CELLULAR IoT SHIPMENTS (M)



SVoD and AVoD Are Our Initial Focus



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
Net income attributable to InterDigital, Inc.	\$ 45	\$ 55	\$ 94	\$ 214	\$ 359	\$ 68	\$ 34	\$49 - \$55	\$26 - \$34	\$389 - \$397
Net loss attributable to non-controlling interest	\$ (7)	\$ (13)	\$ (2)	\$ (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax (provision) benefit	\$ (7)	\$ 15	\$ 26	\$ 24	\$ 71	\$ 8	\$ 7	\$ 11	\$ 8	\$ 64
Other income (expense) & interest expense	\$ 24	\$ 14	\$ 33	\$ (13)	\$ 10	\$ -	\$ (2)	\$ 1	\$ -	\$ (6)
Depreciation and amortization	\$ 81	\$ 78	\$ 79	\$ 78	\$ 70	\$ 20	\$ 18	\$ 20	\$ 21	\$ 78
Share-based compensation	\$ 10	\$ 29	\$ 22	\$ 36	\$ 46	\$ 9	\$ 9	\$ 10	\$ 11	\$ 42
Other operating items	\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)	\$ -	\$ (1)	\$ -	\$ 2	\$ 2
Adjusted EBITDA	\$ 155	\$ 208	\$ 255	\$ 345	\$ 551	\$ 105	\$ 65	\$91 - \$97	\$68 - \$76	\$569 - \$577
Adjusted EBITDA Margin	43%	49%	56%	63%	63%	64%	50%	60%	49%	70%
Other Operating Items	\$ -	\$ 28	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restructuring	\$ 9	\$ -	\$ -	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other non-cash charges	\$ -	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Recurring Personnel-Related	\$ -	\$ -	\$ -	\$ 8	\$ (4)	\$ -	\$ (1)	\$ -	\$ 2	\$ 2
Net Litigation Fee Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Operating Items	\$ 9	\$ 30	\$ 3	\$ 10	\$ (4)	\$ -	\$ (1)	\$ -	\$ 2	\$ 2
Cash Flow Data:						\$ 396				
Net cash provided by operating activities						\$ (1)				
Purchases of property and equipment						\$ (14)				
Capitalized patent costs						\$ 381				

NOTE: Sums may not equal total due to rounding



Non-GAAP Reconciliation

(In millions, except per share data)	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
Net income attributable to InterDigital, Inc.										
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	31.1	31.3	30.5	28.1	29.7	34.9	30.0	35.3	35.9	34.5
Less: Dilutive impact of the Convertible Notes	-	-	-	0.5	2.4	4.3	2.4	4.5	4.7	4.1
Weighted average dilutive shares - Non-GAAP	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

