KEYSIGHT TECHNOLOGIES, INC. Financial Information Index of Schedules

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Q1'22 - Three months ended January 31, 2022

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Q4'22 - Three months ended October 31, 2022 Q1'23 - Three months ended January 31, 2023

Q2'23 - Three months ended April 30, 2023

KEYSIGHT TECHNOLOGIES, INC. CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (In millions, except per share data) (Unaudited) PRELIMINARY

		Three mon Apri		ed	Percent
	2	023	2	022	Inc/(Dec)
Orders	\$	1,319	\$	1,458	(10)%
Revenue	\$	1,390	\$	1,351	3%
Costs and expenses:					
Cost of products and services		481		492	(2)%
Research and development		222		210	6%
Selling, general and administrative		337		319	6%
Other operating expense (income), net		(4)		3	_
Total costs and expenses		1,036		1,024	1 %
Income from operations		354		327	8%
Interest income		22		1	1999%
Interest expense		(20)		(19)	(1)%
Other income (expense), net		5		(2)	<u> </u>
Income before taxes		361		307	18%
Provision for income taxes		78		49	59%
Net income	\$	283	\$	258	10%
Net income per share:					
Basic	\$	1.59	\$	1.42	
Diluted	\$	1.58		1.41	
Weighted average shares used in computing net income per share:					
Basic		178		181	
Diluted		179		183	

KEYSIGHT TECHNOLOGIES, INC. CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (In millions, except per share data) (Unaudited) PRELIMINARY

		Percent		
	2	Apri 2023	022	Inc/(Dec)
Orders	\$	2,619	\$ 2,953	(11)%
Revenue	\$	2,771	\$ 2,601	7%
Costs and expenses:				
Cost of products and services		979	938	4%
Research and development		449	420	7%
Selling, general and administrative		675	645	5%
Other operating expense (income), net		(8)		_
Total costs and expenses		2,095	2,003	5%
Income from operations		676	598	13%
Interest income		41	2	2394%
Interest expense		(39)	(39)	(2)%
Other income (expense), net		14	10	36%
Income before taxes		692	571	21%
Provision for income taxes		149	84	78%
Net income	\$	543	\$ 487	12%
Net income per share:				
Basic	\$	3.04	\$ 2.67	
Diluted	\$	3.02	2.65	
Weighted average shares used in computing net income per share:				
Basic		178	182	
Diluted		179	183	

KEYSIGHT TECHNOLOGIES, INC. CONDENSED CONSOLIDATED BALANCE SHEET (In millions, except par value and share data) (Unaudited) PRELIMINARY

	-	oril 30, 2023		October 31, 2022		
ASSETS						
Current assets:						
Cash and cash equivalents	\$	2,498	\$	2,042		
Accounts receivable, net		864		905		
Inventory		948		858		
Other current assets		454		429		
Total current assets		4,764		4,234		
Property, plant and equipment, net		746		690		
Operating lease right-of-use assets		224		220		
Goodwill		1,661		1,582		
Other intangible assets, net		198		189		
Long-term investments		82		62		
Long-term deferred tax assets		669		667		
Other assets Total assets	\$	364 8,708	\$	454 8,098		
LIABILITIES AND EQUITY				<u>(</u>		
Current liabilities:						
Accounts payable	\$	302	\$	348		
Employee compensation and benefits		317		333		
Deferred revenue		568		495		
Income and other taxes payable		80		96		
Operating lease liabilities Other accrued liabilities		42		39		
Total current liabilities		113 1,422		96 1,407		
		1,422		1,407		
Long-term debt		1,793		1,793		
Retirement and post-retirement benefits		62		58		
Long-term deferred revenue		222		197		
Long-term operating lease liabilities		188		186		
Other long-term liabilities		316		296		
Total liabilities		4,003		3,937		
Stockholders' Equity:						
Preferred stock; \$0.01 par value; 100 million shares authorized; none issued and outstanding Common stock; \$0.01 par value; 1 billion shares authorized; 199 million shares at April 30,		—		_		
2023 and 199 million shares at October 31, 2022 issued		2		2		
Treasury stock at cost; 21.2 million shares at April 30, 2023 and 20.5 million shares at October		(0.000				
31, 2022		(2,399)		(2,274)		
Additional paid-in-capital		2,404		2,333		
Retained earnings		5,097		4,554		
Accumulated other comprehensive loss		(399)		(454)		
Total stockholders' equity Total liabilities and equity	¢	4,705	¢	4,161		
י טנמו וומטווווכט מויע ביעווגי	\$	8,708	\$	8,098		

KEYSIGHT TECHNOLOGIES, INC. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (In millions) (Unaudited) PRELIMINARY

Zeah flows from operating activities: Net income Zess Zess S Zess Zess S Zess Zess S Zess Zess <thzess< th=""> Zess <thzes< th=""><th></th><th>т</th><th>hree mor Apri</th><th></th><th>ended</th><th colspan="7">Six months ended April 30,</th></thzes<></thzess<>		т	hree mor Apri		ended	Six months ended April 30,						
Net income \$ 283 \$ 288 \$ 543 \$ 487 Depreciation 30 29 59 59 59 Amortization 30 27 64 53 Deferred tax express (heneft) (1) 4 (2) 13 Excess and obsolet inventory-telated charges 7 7 13 13 Unrealized kos (gain) on equity and other investments 1 10 (5) 13 Other non-cash expense (income), net 1 7 1 9 Changes in seasts and liabilities: - - - - Accounts provided by operating activities" 49 76 (35) (41) 31 Deferred tax apyable (88) (40) (32) (28) (41) 31 Accounts provided by operating activities" (11) (56) (13) 30 (27) (78) Interest as apyable (88) (40) (32) (28) (78) (52) (141) <th></th> <th>20</th> <th>023</th> <th colspan="3">23 2022</th> <th>023</th> <th>2022</th>		20	023	23 2022			023	2022				
Adjustments to reconcile net income to net cash provided by operating activities: 30 29 59 59 Depreciation 30 27 84 77 Deterned tax expense (benefit) (1) 4 (2) 13 Excress and obsolete inversion/vietal charges 7 7 13 13 Urrealized toss (gain) on equity and other investments 1 10 (5) 13 Other non-sate apprese (income), net 1 7 1 9 Actional tops and labilities: 5 (10) 61 (44) Inventory (49) (22) (63) (54) Actional trend tops and labilities: 1 7 7 6 Deferred trevenue 55 (109) 61 (44) (22) (63) (54) Deferred trevenue 55 (100) 61 (41) 13 13 107 - 107 - 107 - 107 - 107 - 107 - 107 - 107 - 107 - 107 - 107 - <td>Cash flows from operating activities:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Cash flows from operating activities:											
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Deferred tax expones (benefit) (1) 4 (2) 13 Excess and obsolet inventory-related charges 7 7 13 13 Other non-cash expense (income), net 1 7 1 9 Changes in sests and liabilities: 5 (109) 61 (84) Inventory (49) (22) (33) (41) Accounts receivable 22 35 (41) 31 Concome taxes payable (22) 35 (41) 31 Deferred tax end agreement termination proceeds 107 - 107 - Interest rate swap agreement termination proceeds 107 - 107 - Other assets and liabilities (6) (31) 30 (26) Net cash provided by operating activities* (63) (53) (17) (36) (27) (78) Other assets and liabilities (61) (33) (31) 30 (26) (17) (30) (17) (30) (17) (30) (17)	Amortization						49					
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Image: Construction of the set of t	Deferred tax expense (benefit)		(1)		4		(2)	13				
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Interest rate swap agreement termination proceeds107-107-Prepaid assets(17)(36)(27)(78)Other assets and liabilities(6)(31)30(26)Net cash provided by operating activities ^(a) 423 298789522Cash flows from investing activities:(53)(53)(113)(95)Acquisition of businesses and intangible assets, net of cash acquired(85)(10)(85)(17)Purchase of investments(7)(30)(7)(30)Net cash used in investing activities(145)(93)(205)(142)Cash flows from financing activities:(145)(93)(205)(142)Proceeds from financing activities(1)(2)(47)(74)Treasury stock repurchases(1)(22)(47)(74)Other financing activities(1)(280)(140)(527)Effect of exchange rate movements(7)(1)(280)(140)(527)Left of exchange rate movements(7)(17)13(21)Net increase (decrease) in cash, cash equivalents, and restricted cash270(92)457(168)Cash, cash equivalents and restricted cash at end of period $$2,514$ \$1,900\$2,514\$1,900Cash payments included in operating activities: Interest payments\$37\$7\$37\$7\$37	Income taxes payable		(88)		(40)		(32)	(26)				
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Cash, cash equivalents and restricted cash at beginning of period 2,244 1,992 2,057 2,068 Cash, cash equivalents and restricted cash at end of period \$ 2,514 \$ 1,900 \$ 2,514 \$ 1,900 (a) Cash payments included in operating activities: Interest payments \$ 37 \$ 37 \$ 37 \$ 37	Effect of exchange rate movements		(7)		(17)		13	(21)				
Cash, cash equivalents and restricted cash at beginning of period 2,244 1,992 2,057 2,068 Cash, cash equivalents and restricted cash at end of period \$ 2,514 \$ 1,900 \$ 2,514 \$ 1,900 (a) Cash payments included in operating activities: Interest payments \$ 37 \$ 37 \$ 37 \$ 37	Net increase (decrease) in cash. cash equivalents, and restricted cash		270		(92)		457	(168)				
Cash, cash equivalents and restricted cash at end of period (a) Cash payments included in operating activities: Interest payments \$ 37 \$ 37 \$ 37 \$ 37 \$ 37								. ,				
Interest payments \$ 37 \$ 37 \$ 37 \$ 37		\$		\$		\$						
Interest payments \$ 37 \$ 37 \$ 37 \$ 37												
Interest payments \$ 37 \$ 37 \$ 37 \$ 37	^(a) Cash payments included in operating activities:											
Income tax paid, net \$ 166 \$ 110 \$ 180 \$ 122	Interest payments	\$	37	\$	37	\$	37 \$	37				
	Income tax paid, net	\$	166	\$	110	\$	180 \$	122				

KEYSIGHT TECHNOLOGIES, INC. COMMUNICATIONS SOLUTIONS GROUP (CSG) (In millions, except where noted) (Unaudited) PRELIMINARY

	FY 2023											
	Q1		Q2		Q3	Q4		Total				
Revenue	\$	939	\$	937			\$	1,876				
Gross margin, %		67.5%		68.1%				67.8%				
Income from operations	\$	269	\$	266			\$	535				
Operating margin, %		28.7%		28.4%				28.5%				

	FY 2022												
	Q1			Q2		Q3		Q4		Total			
Revenue	\$	878	\$	963	\$	970	\$	992	\$	3,803			
Gross margin, %		67.3%		66.2%		66.5%		65.9%		66.5%			
Income from operations	\$	237	\$	271	\$	288	\$	289	\$	1,085			
Operating margin, %		26.9%		28.2%		29.6%		29.1%		28.5%			

Segment revenue and income from operations is consistent with the respective non-GAAP financial measures as discussed on last page.

KEYSIGHT TECHNOLOGIES, INC. ELECTRONIC INDUSTRIAL SOLUTIONS GROUP (EISG) (In millions, except where noted) (Unaudited) PRELIMINARY

	FY 2023											
		Q1		Q2	Q3	Q4		Total				
Revenue	\$	442	\$	453			\$	895				
Gross margin, %		60.5%		63.7%				62.1%				
Income from operations	\$	140	\$	157			\$	297				
Operating margin, %		31.8%		34.5%				33.2%				

	FY 2022												
	Q1			Q2		Q3		Q4	Total				
Revenue	\$	372	\$	388	\$	406	\$	451	\$	1,617			
Gross margin, %		62.6%		62.0%		61.3%		60.2%		61.5%			
Income from operations	\$	114	\$	118	\$	127	\$	142	\$	501			
Operating margin, %		30.7%		30.3%		31.3%		31.6%		31.0%			

Segment revenue and income from operations is consistent with the respective non-GAAP financial measures as discussed on last page.

KEYSIGHT TECHNOLOGIES, INC. NON-GAAP GROSS PROFIT AND OPERATING MARGIN RECONCILIATIONS (In millions, except where noted) (Unaudited) PRELIMINARY

Reconciliation of Gross Profit to non-GAAP Gross Profit

	Tł	iree mon April		ended	9	nded		
	2	2023	2	2022	2	2023	2	2022
Gross Profit, as reported	\$	909	\$	859	\$	1,792	\$	1,663
Amortization of acquisition-related balances		11		13		20		25
Share-based compensation		7		6		16		14
Non-GAAP Gross Profit	\$	927	\$	878	\$	1,828	\$	1,702
GAAP Gross margin, %		65.4%		63.6%		64.7%		63.9%
Non-GAAP Gross margin, %		66.7%		65.0%		66.0%		65.4%

Reconciliation of Income from Operations to non-GAAP Income from Operations

			ths e 30,	nded	5	ded		
	2	2023	2	2022	2	2023	2	2022
Income from operations, as reported	\$	354	\$	327	\$	676	\$	598
Amortization of acquisition-related balances		25		26		48		52
Share-based compensation		29		26		84		77
Acquisition and integration costs		3		2		5		5
Restructuring and others		12		8		19		8
Non-GAAP income from operations	\$	423	\$	389	\$	832	\$	740
GAAP Operating margin, %		25.4%		24.2%		24.4%		23.0%
Non-GAAP Operating margin, %		30.4%		28.8%		30.0%		28.4%

Please refer last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC. NON-GAAP OPERATING EXPENSES RECONCILIATIONS (In millions) (Unaudited) PRELIMINARY

Reconciliation of research & development expenses to non-GAAP research & development expenses

	I	Z023 Z022 \$ 222 \$ 210 \$				Six months ended April 30,		
	_	2023	2022		2023		2	022
Research & development expenses, as reported	\$	222	\$	210	\$	449	\$	420
Share-based compensation		(7)		(5)		(23)		(16)
Non-GAAP research & development expenses	\$	215	\$	205	\$	426	\$	404

Reconciliation of selling, general & administrative expenses to non-GAAP selling, general & administrative expenses

	Th	ree mor Apri	Six months ended April 30,					
	2	2023		2022		2023		022
Selling, general & administrative expenses, as reported	\$	337	\$	319	\$	675	\$	645
Amortization of acquisition-related balances		(14)		(13)		(28)		(27)
Share-based compensation		(15)		(15)		(45)		(47)
Acquisition and integration costs		(3)		(2)		(5)		(5)
Restructuring and others		(12)		(1)		(19)		(1)
Non-GAAP selling, general & administrative expenses	\$	293	\$	288	\$	578	\$	565

Reconciliation of other operating expense (income), net to non-GAAP other operating expense (income), net

	Three months ended April 30,					Six months ended April 30,			
	2023		2022			2023	2	022	
Other operating expense (income), net, as reported	\$	(4)	\$	3	\$	(8)	\$	_	
Restructuring and others		_		(7)		_		(7)	
Non-GAAP other operating expense (income), net	\$	(4)	\$	(4)	\$	(8)	\$	(7)	

Reconciliation of operating expenses to non-GAAP operating expenses

	Thr	S	ix montl Apri	hs ended I 30,				
Operating expenses, as reported	20)23	2022		2023		2022	
	\$	555	\$	532	\$	1,116	\$	1,065
Amortization of acquisition-related balances		(14)		(13)		(28)		(27)
Share-based compensation		(22)		(20)		(68)		(63)
Acquisition and integration costs		(3)		(2)		(5)		(5)
Restructuring and others		(12)		(8)		(19)		(8)
Non-GAAP operating expenses	\$	504	\$	489	\$	996	\$	962

Please refer last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC. NON-GAAP NET INCOME AND DILUTED EPS RECONCILIATION (In millions, except per share data) (Unaudited) PRELIMINARY

	Three months ended								Six months ended							
	April 30,							April 30,								
	2023				202	2		202	23	2022						
			Diluted ome EPS		Diluted Net Income EPS		Net Income		Diluted EPS	Net Income		Diluted EPS				
GAAP Net income	\$	283	\$ 1.58	\$	258	\$ 1.41	\$	543	\$ 3.02	\$	487	\$ 2.65				
Non-GAAP adjustments:																
Amortization of acquisition-related balances		25	0.14		26	0.14		48	0.27		52	0.29				
Share-based compensation		29	0.16		26	0.15		84	0.47		77	0.42				
Acquisition and integration costs		3	0.02		2	0.01		5	0.03		5	0.03				
Restructuring and others		14	0.07		18	0.10		15	0.08		21	0.11				
Adjustment for taxes ^(a)		26	0.15		4	0.02		48	0.27		(3)	(0.02)				
Non-GAAP Net income	\$	380	\$ 2.12	\$	334	\$ 1.83	\$	743	\$ 4.14	\$	639	\$ 3.48				
Weighted average shares outstanding - diluted		179			183			179			183					

^(a) For both the three and six months ended April 30, 2023 and 2022, management uses a non-GAAP effective tax rate of 12%.

Please refer last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC. RECONCILIATIONS OF CORE REVENUE BY SEGMENT AND REGION (In millions) (Unaudited) PRELIMINARY

	Year-over-Year														
		Revenue		Revenue from acquisitions or divestitures			Currency Adjustments ^(a)								
Revenue by Segment	 Q2'23	Q2'22	YoY % Chg.	Q2'23		Q2'22	Q2'23		Q2'23	Q2'22	YoY % Chg.				
Communications Solutions Group	\$ 937		(-)	\$	5 \$	-)\$			(1)%				
Electronic Industrial Solutions Group Total Revenue	\$ 453 1,390	388 \$ 1,351	-	\$	1 6 \$	_	(12 \$ (35	<u> </u>	464 1,419 \$	388 3,351	19% 5%				

	Revenue					Revenue from acquisitions or divestitures					Currency Adjustments ^(a)			Core Revenue					
Revenue by Region		Q2'23		Q2'22	YoY % Chg.		Q2'23		Q	2'22		Q2'23		Q2'23	(Q2'22	YoY % Chg.		
Americas	\$	517	\$	563	(8)%	\$		6	\$	_	\$	_	\$	511	\$	563	(9)%		
Europe		229		217	5%		-	_		_		(8)		237		217	9%		
Asia Pacific		644		571	13%		-	_		_		(27)		671		571	18%		
Total Revenue	\$	1,390	\$	1,351	3%	\$		6	\$	_	\$	(35)	\$	1,419	\$	1,351	5%		

(a) We compare the year-over-year change in revenue excluding the effect of foreign currency rate fluctuations to assess the performance of our underlying business. To determine the impact of currency fluctuations, current period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the actual exchange rate in effect during the respective prior periods.

Please refer last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC. REVENUE BY END MARKETS (In millions) (Unaudited) PRELIMINARY

				Percent
	Q	2'23	Q2'22	Inc/(Dec)
Aerospace, Defense and Government	\$	310	\$ 291	7%
Commercial Communications		627	672	(7)%
Electronic Industrial		453	388	17%
Total Revenue	\$	1,390	\$ 1,351	3%

KEYSIGHT TECHNOLOGIES, INC. FREE CASH FLOW (In millions) (Unaudited) PRELIMINARY

	Th	ree mon Apri	nded	Six months ended April 30,				
	2023			022	2	2023	2022	
Net cash provided by operating activities	\$	423	\$	298	\$	789	\$	522
Less: Investments in property, plant and equipment		(53)		(53)		(113)		(95)
Free cash flow	\$	370	\$	245	\$	676	\$	427
Free cash flow as a percentage of Revenue		27%		18%		24%		16%

Please refer last page for details on the use of non-GAAP financial measures.

Non-GAAP Financial Measures

Management uses both GAAP and non-GAAP financial measures to analyze and assess the overall performance of the business, to make operating decisions and to forecast and plan for future periods. We believe that our investors benefit from seeing our results "through the eyes of management" in addition to seeing our GAAP results. This information enhances investors' understanding of the continuing performance of our business and facilitates comparison of performance to our historical and future periods.

Our non-GAAP financial measures may not be comparable to similarly titled measures used by other companies, including industry peer companies, limiting the usefulness of these measures for comparative purposes.

These non-GAAP measures should be considered supplemental to and not a substitute for financial information prepared in accordance with GAAP. The discussion below presents information about each of the non-GAAP financial measures and the company's reasons for including or excluding certain categories of income or expenses from our non-GAAP results. In future periods, we may exclude such items and may incur income and expenses similar to these excluded items. Accordingly, adjustments for these items and other similar items in our non-GAAP presentation should not be interpreted as implying that these items are non-recurring, infrequent or unusual.

Non-GAAP Revenue generally relates to an acquisition and includes recognition of acquired deferred revenue that was written down to fair value in purchase accounting. Management believes that excluding fair value purchase accounting adjustments more closely correlates with the ordinary and ongoing course of the acquired company's operations and facilitates analysis of revenue growth and business trends. We may not have non-GAAP revenue in all periods.

Core Revenue is GAAP/non-GAAP revenue (as applicable) excluding the impact of foreign currency changes and revenue associated with material acquisitions or divestitures completed within the last twelve months. We exclude the impact of foreign currency changes as currency rates can fluctuate based on factors that are not within our control and can obscure revenue growth trends. As the nature, size and number of acquisitions can vary significantly from period to period and as compared to our peers, we exclude revenue associated with recently acquired businesses to facilitate comparisons of revenue growth and analysis of underlying business trends.

Free cash flow includes net cash provided by operating activities adjusted for investments in property, plant & equipment.

Non-GAAP Income from Operations, Non-GAAP Net Income and Non-GAAP Diluted EPS may include the following types of adjustments:

- Acquisition-related Items: We exclude the impact of certain items recorded in connection with business combinations from our non-GAAP financial measures that
 are either non-cash or not normal, recurring operating expenses due to their nature, variability of amounts and lack of predictability as to occurrence or timing. These
 amounts may include non-cash items such as the amortization of acquired intangible assets and amortization of items associated with fair value purchase accounting
 adjustments, including recognition of acquired deferred revenue (see Non-GAAP Revenue above). We also exclude other acquisition and integration costs associated
 with business acquisitions that are not normal recurring operating expenses, including amortization of amounts paid to redeem acquires' unvested stock-based
 compensation awards, and legal, accounting and due diligence costs. We exclude these charges to facilitate a more meaningful evaluation of our current operating
 performance and comparisons to our past operating performance.
- Share-based Compensation Expense: We exclude share-based compensation expense from our non-GAAP financial measures because share-based compensation expense can vary significantly from period to period based on the company's share price, as well as the timing, size and nature of equity awards granted. Management believes the exclusion of this expense facilitates the ability of investors to compare the company's operating results with those of other companies, many of which also exclude share-based compensation expense in determining their non-GAAP financial measures.
- Restructuring and others: We exclude incremental expenses associated with restructuring initiatives, usually aimed at material changes in the business or cost structure. Such costs may include employee separation costs, asset impairments, facility-related costs, contract termination fees, and costs to move operations from one location to another. These activities can vary significantly from period to period based on the timing, size and nature of restructuring plans; therefore, we do not consider such costs to be normal, recurring operating expenses.

We also exclude "others", not normal, recurring, cash operating income/expenses from our non-GAAP financial measures. Such items are evaluated on an individual basis, based on both quantitative and qualitative factors and generally represent items that we do not anticipate occurring as part of our normal business. While not all-inclusive, examples of such items would include net unrealized gains on equity investments still held, significant non-recurring events like realized gains or losses associated with our employee benefit plans, costs and recoveries related to unusual events, gain on sale of assets/divestitures, etc. We believe that these costs do not reflect expected future operating expenses and do not contribute to a meaningful evaluation of the company's current operating performance or comparisons to our operating performance in other periods.

Estimated Tax Rate: We utilize a consistent methodology for long-term projected non-GAAP tax rate. When projecting this long-term rate, we exclude any tax benefits or expenses that are not directly related to ongoing operations and which are either isolated or cannot be expected to occur again with any regularity or predictability. Additionally, we evaluate our current long-term projections, current tax structure and other factors, such as existing tax positions in various jurisdictions and key tax holidays in major jurisdictions where Keysight operates. This tax rate could change in the future for a variety of reasons, including but not limited to significant changes in geographic earnings mix including acquisition activity, or fundamental tax law changes in major jurisdictions where Keysight operates. The above reasons also limit our ability to reasonably estimate the future GAAP tax rate and provide a reconciliation of the expected non-GAAP earnings per share for the third quarter of fiscal 2023 to the GAAP equivalent.

Management recognizes these items can have a material impact on our cash flows and/or our net income. Our GAAP financial statements, including our Condensed Consolidated Statement of Cash Flows, portray those effects. Although we believe it is useful for investors to see core performance free of special items, investors should understand that the excluded costs are actual expenses that may impact the cash available to us for other uses. To gain a complete picture of all effects on the company's profit and loss from any and all events, management does (and investors should) rely upon the Condensed Consolidated Statement of Operations prepared in accordance with GAAP. The non-GAAP measures focus instead upon the core business of the company, which is only a subset, albeit a critical one, of the company's performance.