



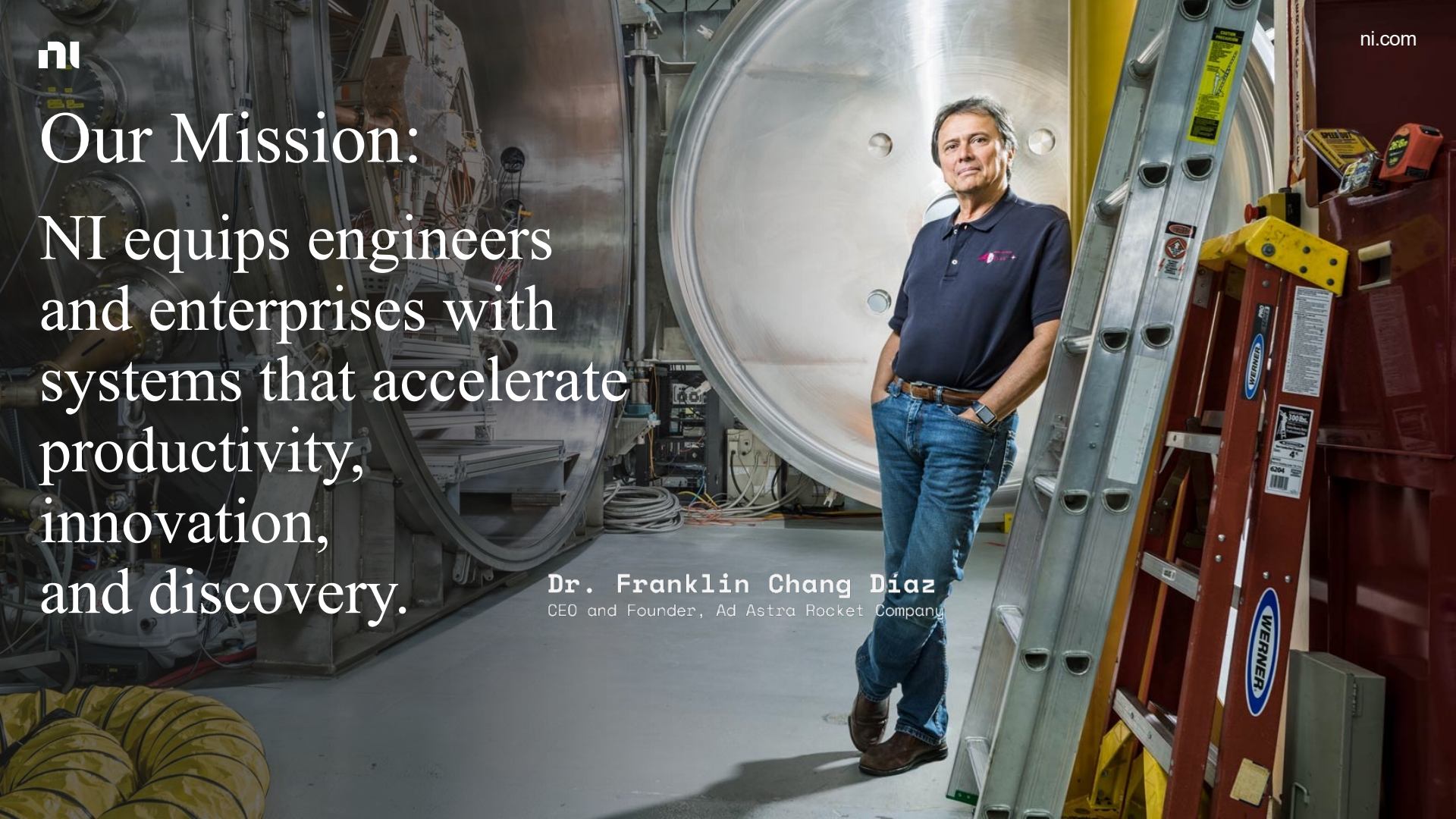
Doing Business in Hungary

A 20-year journey at NI



Our Mission:
NI equips engineers
and enterprises with
systems that accelerate
productivity,
innovation,
and discovery.

Dr. Franklin Chang Diaz
CEO and Founder, Ad Astra Rocket Company



4 Focus Areas



Portfolio



Transportation



Aero/Def/Govt



Semiconductor

Diverse Business with Strong Results

2019 RESULTS

\$1.35B

REVENUE

19%

NON-GAAP OPERATING MARGIN

20%

INVESTMENT IN R&D

50+

COUNTRIES WITH
NI OPERATIONS

2019 REVENUE BY REGION

40%

AMERICAS

28%

EMEA

32%

APAC

35,000+

CUSTOMERS
WORLDWIDE

NI Hungary Today

20 Years in the Making



How it started - 1999

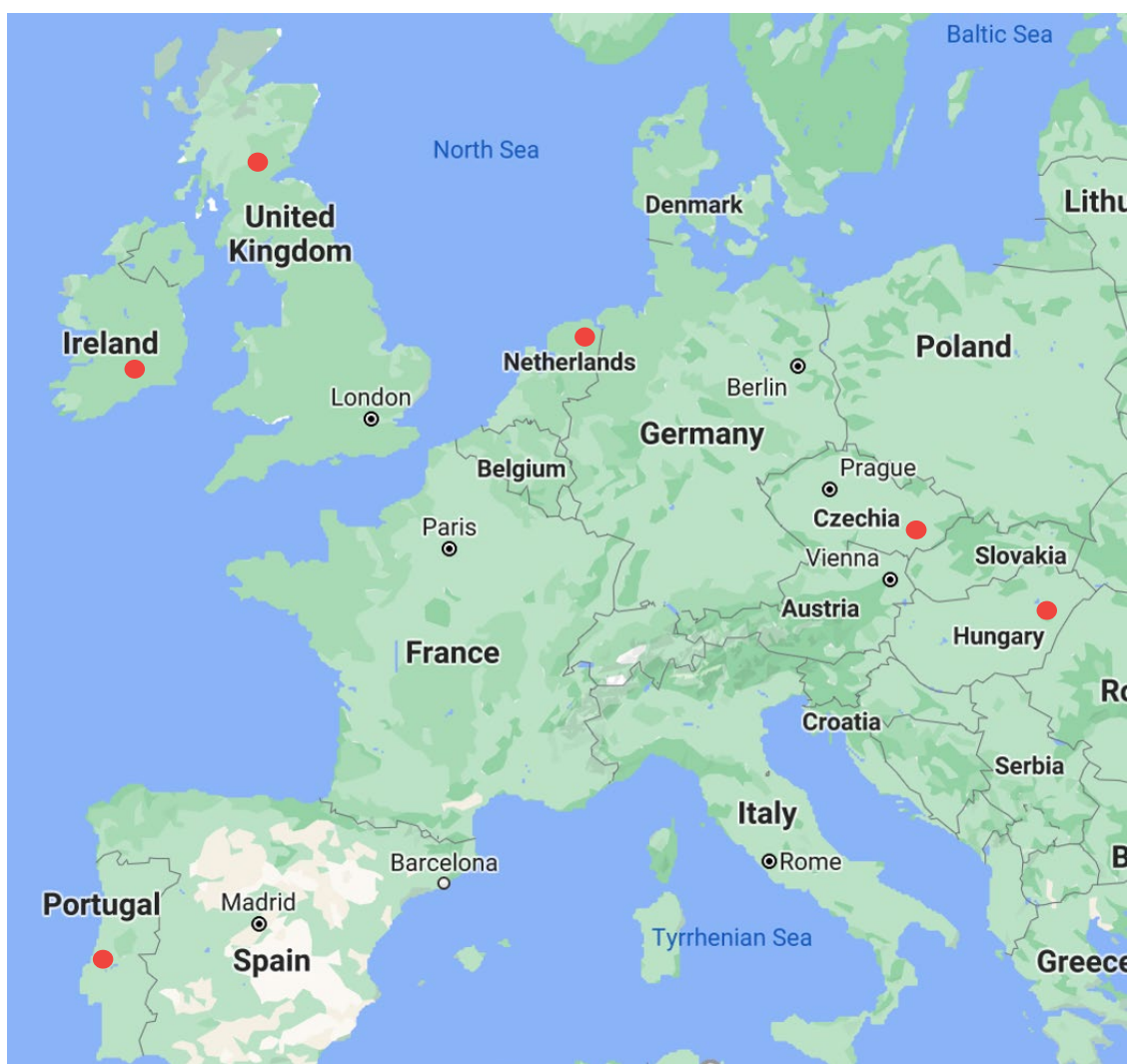
NI Growth Rate at +20%

Austin facility would have been at capacity in 2 years

Consideration of alternates to external expansion

Considerations of a new site:

- Availability of Labor
- Risk Management and Diversification
- Proximity to Customers
- Cost Factors
- Tax Structure
- FX Hedging Risk



Qualitative Criteria

Criteria and Weights: categories of location requirements

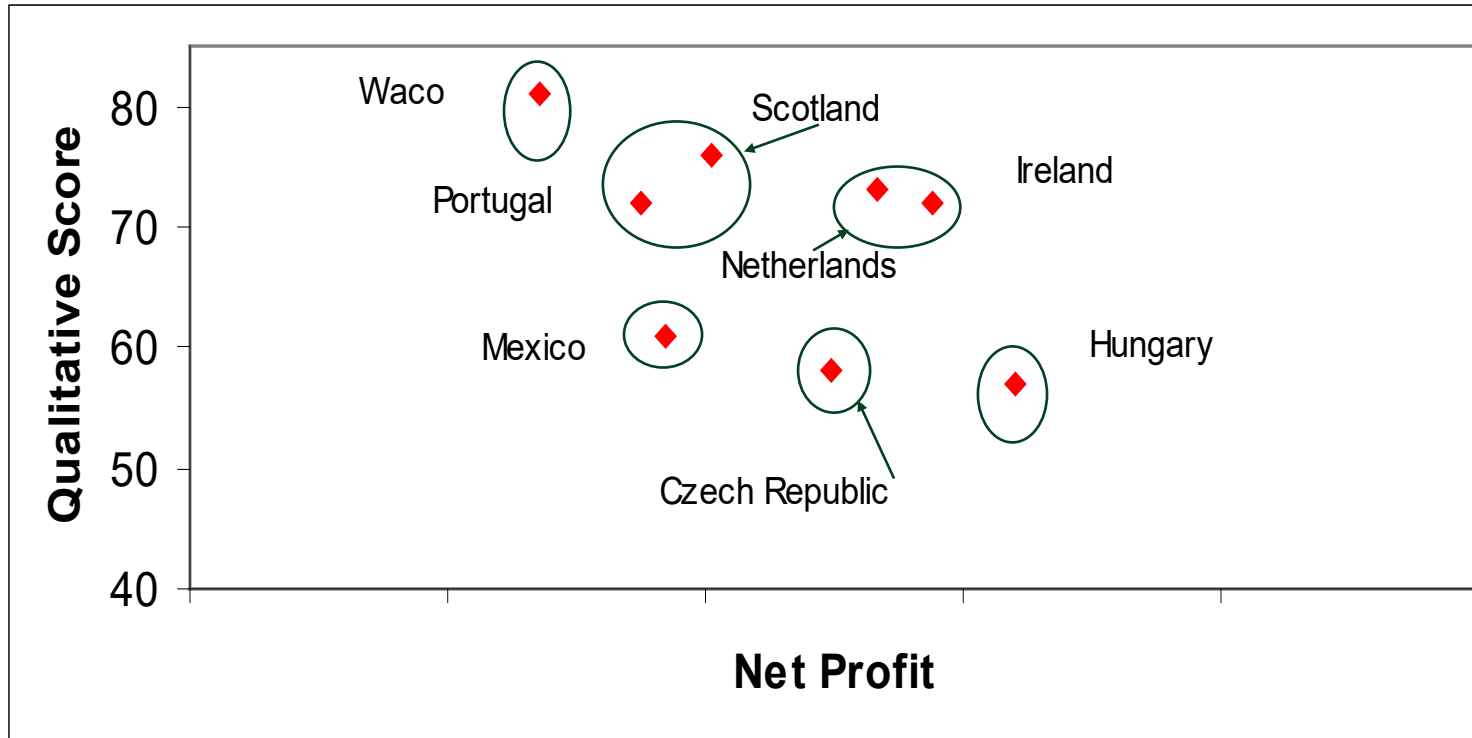
Labor availability and quality	20%
Labor stability	5%
Labor flexibility	16%
Financial & economic stability	20%
General business environment	10%
Real estate	7%
Infrastructure & logistics	20%
Living environment	<u>2%</u>
Total	100%

Quantitative Criteria

Factors Included Quantitative P&L

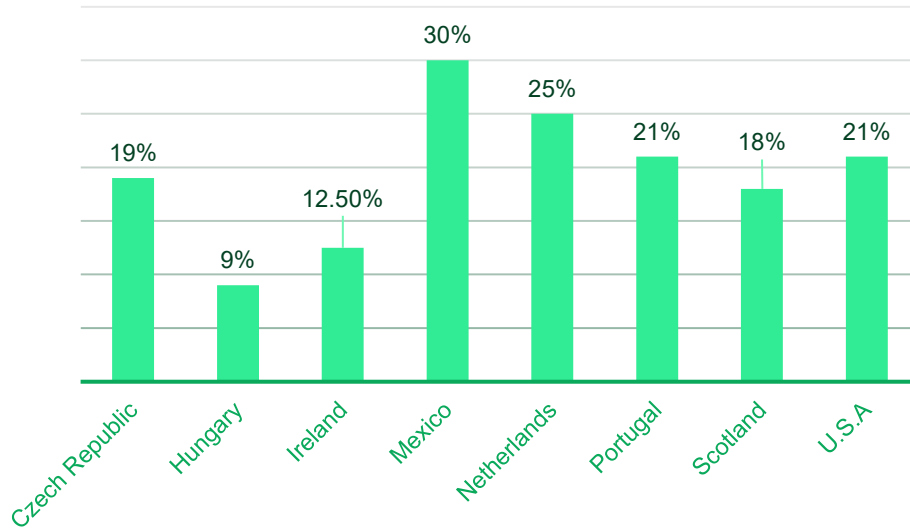
- 10-year evaluation horizon – for European sales
- Material – Same for all countries
- Labor, (Labor, benefits, and social taxes) – Unique to local country
- Overhead, (Travel, training, equipment, supplies) – Same for all countries
- Overhead, (Lease and freight) – Unique to local country
- Grants, (Training and job creation) – Unique to local country
- Other P & L Items, (Commission expense, manufacturing royalty, and cost share) – Same for all countries
- Corporate Tax Rate – Unique to local country
- Inflationary Effects – Unique to local country based on 2-year historical average

Putting it together

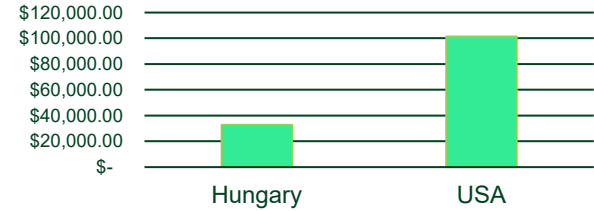


While numbers have changed scale is relatively the same

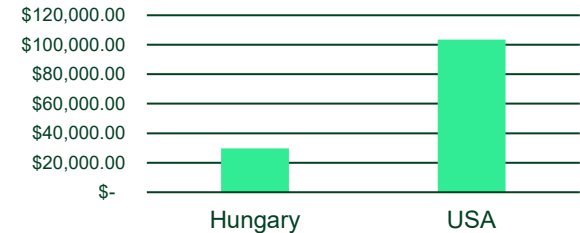
2020 Corporate Tax Rate:



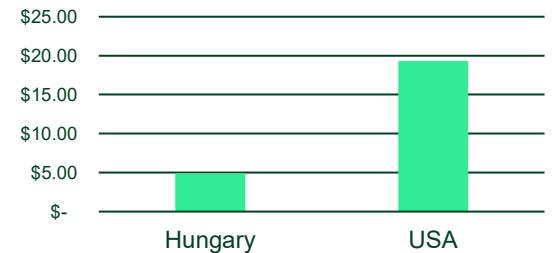
Programmer Analyst 3



Test Engineer 3



Assembler 3

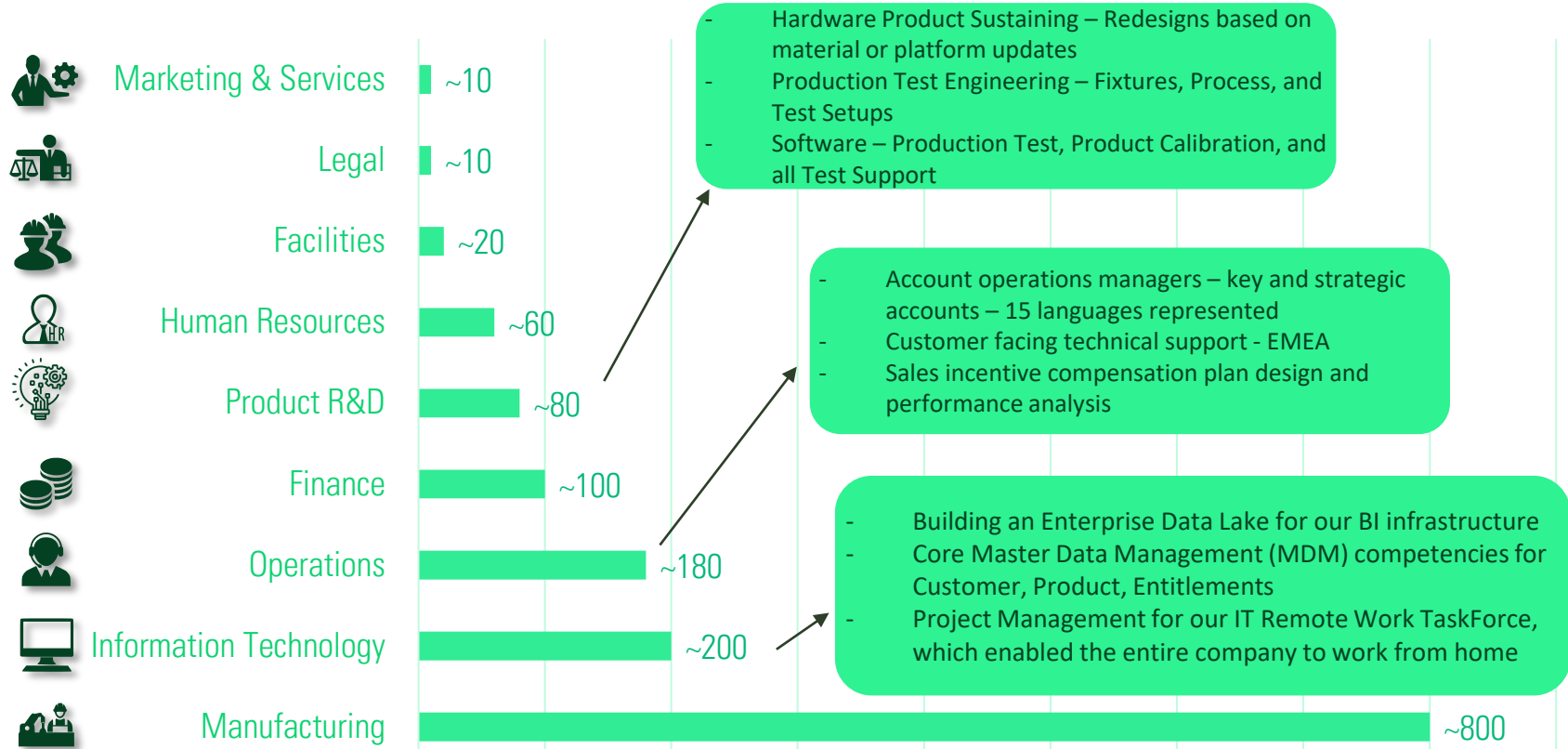




NI Hungary Today



Operational Capabilities



Work Force Metrics

NIH Retention



NIH Engagement



Avg Days to Fill



Keys to Hungarian Competitiveness



- Consistent Government Support
- Well educated labor force
- Language expertise
- A competitive tax environment
- Good Infrastructure



We have found a long-term home in Hungary and look forward to the next 20 years!



Questions?