

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 27, 2025

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to .

Commission file number 000-49602

SYNAPTICS INCORPORATED
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

77-0118518

(I.R.S. Employer
Identification No.)

1109 McKay Drive
San Jose, California 95131
(Address of principal executive offices) (Zip code)
(408) 904-1100
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.001 per share	SYNA	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of January 29, 2026, the Company had 38,729,741 shares of Common Stock outstanding.

SYNAPTICS INCORPORATED
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED DECEMBER 27, 2025

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PART I—FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

SYNAPTICS INCORPORATED AND SUBSIDIARIES **CONDENSED CONSOLIDATED BALANCE SHEETS** (in millions, except par value and share amounts) (unaudited)

	December 2025	June 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 437.4	\$ 391.5
Short-term investments	—	61.0
Accounts receivable, net	132.7	130.3
Inventories	158.0	139.5
Prepaid expenses and other current assets	42.9	29.6
Total current assets	771.0	751.9
Property and equipment, net	83.1	72.1
Goodwill	872.3	872.3
Acquired intangible assets	235.5	262.2
Deferred tax assets	418.0	408.8
Non-current other assets	183.4	217.1
Total assets	\$ 2,563.3	\$ 2,584.4
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 95.7	\$ 98.5
Accrued liabilities	167.7	172.4
Total current liabilities	263.4	270.9
Long-term debt	836.0	834.8
Other long-term liabilities	80.1	83.8
Total liabilities	1,179.5	1,189.5
Stockholders' Equity:		
Preferred stock:		
\$0.001 par value; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock:		
\$0.001 par value; 120,000,000 shares authorized, 71,333,767 and 70,611,845 shares issued, 38,711,065 and 38,642,761 shares outstanding, at December 2025 and June 2025, respectively	0.1	0.1
Additional paid-in capital	1,279.7	1,211.8
Treasury stock: 32,622,702 and 31,969,084 common shares at December 2025 and June 2025, respectively, at cost	(1,050.5)	(1,006.9)
Retained earnings	1,154.5	1,189.9
Total stockholders' equity	1,383.8	1,394.9
Total liabilities and stockholders' equity	\$ 2,563.3	\$ 2,584.4

See accompanying notes to condensed consolidated financial statements (unaudited)

SYNAPTICS INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share data)
(unaudited)

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Net revenue	\$ 302.5	\$ 267.2	\$ 595.0	\$ 524.9
Cost of revenue	170.8	145.0	338.7	281.8
Gross margin	131.7	122.2	256.3	243.1
Operating expenses:				
Research and development	95.1	83.3	189.5	164.6
Selling, general, and administrative	47.8	49.5	94.0	99.5
Acquired intangibles amortization	3.8	3.8	8.5	7.6
Restructuring costs	0.1	0.8	2.6	15.0
Total operating expenses	146.8	137.4	294.6	286.7
Operating loss	(15.1)	(15.2)	(38.3)	(43.6)
Interest expense and other, net	(2.4)	(4.3)	(1.9)	(10.2)
Loss on early extinguishment of debt	—	(6.5)	—	(6.5)
Loss before benefit from income taxes	(17.5)	(26.0)	(40.2)	(60.3)
Benefit from income taxes	(2.7)	(27.8)	(4.8)	(39.0)
Net income (loss)	\$ (14.8)	\$ 1.8	\$ (35.4)	\$ (21.3)
Net income (loss) per share:				
Basic	\$ (0.38)	\$ 0.05	\$ (0.91)	\$ (0.54)
Diluted	\$ (0.38)	\$ 0.05	\$ (0.91)	\$ (0.54)
Shares used in computing net income (loss) per share:				
Basic	38.9	39.7	38.9	39.7
Diluted	38.9	39.8	38.9	39.7

See accompanying notes to condensed consolidated financial statements (unaudited)

SYNAPTICS INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in millions, except share amounts)
(unaudited)

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Treasury Stock</u>	<u>Retained Earnings</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>				
Balance at June 2025	70,611,845	\$ 0.1	\$ 1,211.8	\$ (1,006.9)	\$ 1,189.9	\$ 1,394.9
Net loss	—	—	—	—	(20.6)	(20.6)
Issuance of common stock for share-based award compensation plans	555,322	—	7.4	—	—	7.4
Payroll taxes related to net share settlement of share-based awards	—	—	(10.6)	—	—	(10.6)
Common stock repurchased, inclusive of excise taxes	—	—	—	(7.2)	—	(7.2)
Share-based compensation	—	—	36.7	—	—	36.7
Balance at September 2025	71,167,167	0.1	1,245.3	(1,014.1)	1,169.3	1,400.6
Net loss	—	—	—	—	(14.8)	(14.8)
Issuance of common stock for share-based award compensation plans	166,600	—	—	—	—	—
Payroll taxes related to net share settlement of share-based awards	—	—	(4.3)	—	—	(4.3)
Common stock repurchased, inclusive of excise taxes	—	—	—	(36.4)	—	(36.4)
Share-based compensation	—	—	38.7	—	—	38.7
Balance at December 2025	71,333,767	\$ 0.1	\$ 1,279.7	\$ (1,050.5)	\$ 1,154.5	\$ 1,383.8

See accompanying notes to condensed consolidated financial statements (unaudited)

SYNAPTICS INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in millions, except share amounts)
(unaudited)

	Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Shares	Amount				
Balance at June 2024	69,683,991	\$ 0.1	\$ 1,107.0	\$ (878.0)	\$ 1,237.7	\$ 1,466.8
Net loss	—	—	—	—	(23.1)	(23.1)
Issuance of common stock for share-based award compensation plans	481,580	—	7.7	—	—	7.7
Payroll taxes related to net share settlement of share-based awards	—	—	(11.3)	—	—	(11.3)
Share-based compensation	—	—	27.2	—	—	27.2
Balance at September 2024	70,165,571	0.1	1,130.6	(878.0)	1,214.6	1,467.3
Net income	—	—	—	—	1.8	1.8
Issuance of common stock for share-based award compensation plans	115,729	—	—	—	—	—
Payroll taxes related to net share settlement of share-based awards	—	—	(3.0)	—	—	(3.0)
Common stock repurchased, inclusive of excise taxes	—	—	—	(74.7)	—	(74.7)
Purchase of capped calls related to the convertible senior notes	—	—	(49.9)	—	—	(49.9)
Share-based compensation	—	—	34.6	—	—	34.6
Balance at December 2024	70,281,300	\$ 0.1	\$ 1,112.3	\$ (952.7)	\$ 1,216.4	\$ 1,376.1

See accompanying notes to condensed consolidated financial statements (unaudited)

SYNAPTICS INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(unaudited)

	Six Months Ended December	
	2025	2024
Cash flows from operating activities		
Net loss	\$ (35.4)	\$ (21.3)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Share-based compensation	75.4	61.8
Depreciation	15.1	14.6
Acquired intangible assets amortization	69.2	49.2
Deferred taxes	(9.5)	(41.2)
Other	5.5	12.9
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable, net	(2.4)	(3.9)
Inventories, net	(18.4)	(4.0)
Prepaid expenses and other current and non-current assets	1.4	5.8
Accounts payable	(5.2)	(4.9)
Accrued liabilities	(35.7)	(57.6)
Net cash provided by operating activities	60.0	11.4
Cash flows from investing activities		
Acquisition of business, net of cash and cash equivalents acquired	—	(0.8)
Proceeds from maturity of investments	61.0	—
Purchases of property and equipment	(23.8)	(13.8)
Net cash provided by (used in) investing activities	37.2	(14.6)
Cash flows from financing activities		
Proceeds from issuance of convertible senior notes, net of issuance costs	—	439.5
Payment of debt issuance costs on convertible senior notes and revolving credit facility	—	(4.4)
Payments for capped call transactions related to the convertible senior notes	—	(49.9)
Repurchases of common stock, excluding excise taxes	(43.6)	(74.5)
Proceeds from issuance of shares	7.4	7.7
Payroll taxes related to net share settlement of share-based awards	(14.9)	(14.3)
Repayment of debt	—	(583.5)
Other	—	1.2
Net cash used in financing activities	(51.1)	(278.2)
Effect of exchange rate changes on cash and cash equivalents	(0.2)	0.6
Net increase (decrease) in cash and cash equivalents	45.9	(280.8)
Cash and cash equivalents, beginning of period	391.5	876.9
Cash and cash equivalents, end of period	\$ 437.4	\$ 596.1
Supplemental disclosure of non-cash transactions		
Receipt of intangible assets from advance payments	\$ 42.5	\$ —

See accompanying notes to condensed consolidated financial statements (unaudited)

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(all tabular amounts in millions, except per share amounts)
(unaudited)

1. Description of Business

We are a leading worldwide developer and fabless supplier of premium mixed signal semiconductor solutions designed to enable people to engage with connected devices and data, and create exceptional experiences throughout the home, at work, in the car and on the go. We provide our customers with sensing, processing and connecting solutions, which represent the three foundational elements of the Internet of Things ("IoT"). We supply connectivity, sensors and AI-enhanced processor solutions to original equipment manufacturers ("OEMs") that design IoT products and devices for automobiles, enterprise workspace devices, virtual reality, smartphones, tablets and notebook computers.

2. Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission, the "SEC", and United States generally accepted accounting principles, "U.S. GAAP." Certain information or footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to SEC rules and regulations. In our opinion, the financial statements include all adjustments, which are of a normal and recurring nature and necessary for the fair presentation of the results of the interim periods presented. The results of operations for the interim periods are not necessarily indicative of the operating results for the full fiscal year or any future period. These financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended June 28, 2025.

The condensed consolidated financial statements include our financial statements and those of our wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated upon consolidation. Certain reclassifications have been made to the amounts for prior years in order to conform to the current year's presentation.

Our fiscal year is the 52- or 53-week period ending on the last Saturday in June. Our fiscal 2026 and 2025 are 52-week periods ending June 27, 2026 and June 28, 2025, respectively. The fiscal periods presented in this report are 13-week periods and 26-week periods for the three and six months periods ended December 27, 2025 and December 28, 2024, respectively. For simplicity, the accompanying condensed consolidated financial statements have been shown as ending on calendar quarter end dates as of and for all periods presented, unless otherwise indicated.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates including, but not limited to, those estimates related to revenue recognition, allowance for credit losses, cost of revenue, inventories, loss on purchase commitments, product warranty, accrued liabilities, share-based compensation costs, provision for income taxes, deferred tax assets and the associated valuation allowance, uncertain tax positions, goodwill, intangible assets, investments and loss contingencies. We base our estimates on historical experience, current period developments, applicable laws and regulations and various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(all tabular amounts in millions, except per share amounts)
(unaudited)

Significant Accounting Policies

There have been no material changes to our significant accounting policies in Note 2 - Basis of Presentation and Significant Accounting Policies, of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended June 28, 2025.

Accounting Pronouncements Recently Issued

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes: Improvements to Income Tax Disclosures." This guidance requires consistent categories and greater disaggregation of information in the rate reconciliation and disclosures of income taxes paid by jurisdiction. We are currently assessing the impact of this guidance on our disclosures and will adopt this standard for our fiscal year ended June 27, 2026.

In November 2024, the FASB issued ASU No. 2024-03, "Income Statement - Reporting Comprehensive Income - Disaggregation of Income Statement Expenses." This guidance requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. This amendment is effective for our fiscal year ending June 2028 and our interim periods within the fiscal year ending June 2029. We are currently assessing the impact of this guidance on our disclosures.

3. Supplemental Financial Statement Information

Accounts receivable, net

	December 2025	June 2025
Accounts receivable	\$ 136.9	\$ 134.5
Less: Allowance for credit losses	(4.2)	(4.2)
	<u>\$ 132.7</u>	<u>\$ 130.3</u>

Inventories

	December 2025	June 2025
Raw materials and work-in-progress	\$ 78.4	\$ 69.4
Finished goods	79.6	70.1
	<u>\$ 158.0</u>	<u>\$ 139.5</u>

Non-current other assets

	December 2025	June 2025
Prepayment of intangible assets	\$ 96.8	\$ 139.3
Other	43.7	32.6
Right-of-use assets	42.9	45.2
	<u>\$ 183.4</u>	<u>\$ 217.1</u>

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(all tabular amounts in millions, except per share amounts)
(unaudited)

Accrued liabilities

	December 2025	June 2025
Customer rebate liabilities	\$ 42.1	\$ 46.4
Other customer-related obligations (1)	12.3	20.8
Accrued compensation and benefits	38.6	58.9
Other (2)	74.7	46.3
	<u>\$ 167.7</u>	<u>\$ 172.4</u>

(1) Amounts include deferred revenue, price discounts and stock rotation rights.

(2) As of December 2025, other accrued liabilities include a \$25.0 million license fee payable to a third party. No such amount was payable at June 2025.

4. Net Income (Loss) Per Share

The computation of basic and diluted net income (loss) per share was as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Numerator:				
Net income (loss)	\$ (14.8)	\$ 1.8	\$ (35.4)	\$ (21.3)
Denominator:				
Weighted-average shares - basic	38.9	39.7	38.9	39.7
Effect of dilutive share-based awards	—	0.1	—	—
Weighted-average shares - diluted	38.9	39.8	38.9	39.7
Net income (loss) per share:				
Basic	\$ (0.38)	\$ 0.05	\$ (0.91)	\$ (0.54)
Diluted	\$ (0.38)	\$ 0.05	\$ (0.91)	\$ (0.54)

The following potentially dilutive securities were excluded from the computation of diluted net income (loss) per share as their effect would have been antidilutive:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Share-based awards	4.3	1.1	4.3	2.7
Convertible senior notes	4.5	—	4.5	—
Total	<u>8.8</u>	<u>1.1</u>	<u>8.8</u>	<u>2.7</u>

5. Prepayment of Intangible Assets

During the third quarter of fiscal 2025, we entered into definitive asset purchase agreements with Broadcom to acquire certain assets and obtain non-exclusive licenses relating to Broadcom's Wi-Fi Business in the IoT market for an aggregate consideration of \$200.3 million. As of December 2025, we have not received six roadmap technology intangible assets, which are expected to be delivered at various dates through September 2027. Accordingly, the balance of \$96.8 million, which represents the value of those technology intangible assets not yet received, is presented within non-current assets in our condensed consolidated balance sheets.

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(all tabular amounts in millions, except per share amounts)
(unaudited)

6. Cash and Cash Equivalents and Short-Term Investments

The following table summarizes our cash and cash equivalents by category at December 2025 and June 2025:

	December 2025			June 2025		
	Amortized Cost	Gross Unrealized (Gain) Loss	Fair Value	Amortized Cost	Gross Unrealized (Gain) Loss	Fair Value
Cash	\$ 403.7	\$ —	\$ 403.7	\$ 360.7	\$ —	\$ 360.7
Cash equivalents:						
Money market funds	15.6	—	15.6	16.7	—	16.7
Certificates of deposit	18.1	—	18.1	14.1	—	14.1
Total cash and cash equivalents	<u>\$ 437.4</u>	<u>\$ —</u>	<u>\$ 437.4</u>	<u>\$ 391.5</u>	<u>\$ —</u>	<u>\$ 391.5</u>
Short-term investments:						
Certificates of deposit	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 61.0</u>	<u>\$ —</u>	<u>\$ 61.0</u>

7. Fair Value Measurements

We determine fair value based on the fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value assumes that the transaction to sell the asset or transfer the liability occurs in the principal or most advantageous market for the asset or liability and establishes that the fair value of an asset or liability shall be determined based on the assumptions that market participants would use in pricing the asset or liability. The classification of a financial asset or liability within the hierarchy is based upon the lowest level input that is significant to the fair value measurement. The fair value hierarchy prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Valuation is based upon unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 – Valuation is based upon quoted prices for similar assets and liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instruments.
- Level 3 – Valuation is based upon other unobservable inputs that are significant to the fair value measurements.

Our Level 1 financial instruments are traded in active markets, and the fair value is based on quoted market prices for identical instruments. The fair value of our Level 2 fixed income securities is obtained from an independent pricing service, which may use quoted market prices for identical or comparable instruments or model driven valuations using observable market data or inputs corroborated by observable market data. Our marketable securities are held by custodians who obtain investment prices from a third-party pricing provider that incorporates standard inputs in various asset price models.

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(all tabular amounts in millions, except per share amounts)
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At December 2025 and June 2025, financial assets measured at fair value on a recurring basis are summarized below:

	December 2025			June 2025		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Cash equivalents:						
Money market funds	\$ 15.6	\$ —	\$ 15.6	\$ 16.7	\$ —	\$ 16.7
Certificates of deposit	—	18.1	18.1	—	14.1	14.1
Total cash and cash equivalents	15.6	18.1	33.7	16.7	14.1	30.8
Short-term investments:						
Certificates of deposit	—	—	—	—	61.0	61.0
Total assets measured at fair value	\$ 15.6	\$ 18.1	\$ 33.7	\$ 16.7	\$ 75.1	\$ 91.8

We did not have any financial assets requiring Level 3 measurement in the periods presented.

Financial Instruments Not Recorded at Fair Value on a Recurring Basis

We report our financial instruments at fair value with the exception of the 2029 Notes and the 2031 Notes, or collectively with the 2029 Notes, the "Notes," each as defined in Note 9. Debt. The estimated fair value of the Notes was determined based on the trading prices of the Notes as of the last day of trading for the periods presented. We use Level 2 measurement criteria to determine the fair value of our Notes as they are not actively traded in markets.

The carrying amounts and estimated fair values of the Notes were as follows for the periods presented:

	December 2025		June 2025	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
2029 Notes	\$ 397.3	\$ 385.4	\$ 397.0	\$ 373.2
2031 Notes	438.7	463.1	437.8	415.7
	\$ 836.0	\$ 848.5	\$ 834.8	\$ 788.9

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(all tabular amounts in millions, except per share amounts)
(unaudited)

8. Goodwill and Acquired Intangibles, Net

Goodwill

The following table represents the change in our goodwill balance for the periods presented:

	December 2025	June 2025
Beginning balance	\$ 872.3	\$ 816.4
Acquisition activity	—	55.9
Ending balance	<u>\$ 872.3</u>	<u>\$ 872.3</u>

Acquired Intangibles, Net

The following table summarizes the net carrying amounts, excluding fully amortized intangible assets:

		December 2025			June 2025		
	Weighted Average Life in Years	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Audio and video technology	5.6	\$ 231.9	\$ (208.8)	\$ 23.1	\$ 231.9	\$ (198.4)	\$ 33.5
Customer relationships	4.7	187.1	(159.2)	27.9	187.1	(150.7)	36.4
Wireless connectivity technology	4.6	314.4	(169.7)	144.7	271.9	(139.6)	132.3
Video interface technology	3.4	133.0	(104.3)	28.7	133.0	(97.9)	35.1
Other	2.4	41.9	(37.6)	4.3	52.1	(34.0)	18.1
In-process research and development	Not applicable	6.8	—	6.8	6.8	—	6.8
Total intangible assets		<u>\$ 915.1</u>	<u>\$ (679.6)</u>	<u>\$ 235.5</u>	<u>\$ 882.8</u>	<u>\$ (620.6)</u>	<u>\$ 262.2</u>

The following table presents details of amortization for the periods presented:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Cost of revenue	\$ 30.2	\$ 20.8	\$ 60.7	\$ 41.6
Acquired intangibles amortization	3.8	3.8	8.5	7.6
Total amortization of intangibles	<u>\$ 34.0</u>	<u>\$ 24.6</u>	<u>\$ 69.2</u>	<u>\$ 49.2</u>

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The following table presents the estimated future amortization expense of acquired amortizable intangible assets as of December 2025:

Fiscal Year	
Remainder of 2026	\$ 49.7
2027	69.3
2028	49.6
2029	26.5
2030	16.9
Thereafter	23.5
Future amortization	<u>\$ 235.5</u>

9. Debt and Revolving Credit Facility

Our total debt outstanding consisted of the following:

	December 2025				June 2025	
	Stated Rate	Effective Rate	Principal	Net Carrying Amount	Principal	Net Carrying Amount
				Long-term		Long-term
2031 Notes	0.75%	1.19%	\$ 450.0	\$ 450.0	\$ 450.0	\$ 450.0
2029 Notes	4.00%	4.17%	400.0	400.0	400.0	400.0
Total borrowings			850.0	850.0	850.0	850.0
Less: unamortized debt issuance costs			—	(14.0)	—	(15.2)
Total debt			<u>\$ 850.0</u>	<u>\$ 836.0</u>	<u>\$ 850.0</u>	<u>\$ 834.8</u>

2031 Convertible Senior Notes

On November 19, 2024 and November 26, 2024, we issued and sold \$400.0 million and \$50.0 million, respectively, in aggregate principal amount of 0.75% Convertible Senior Notes due 2031 (“2031 Notes”) in a private placement. The 2031 Notes were issued pursuant to an indenture (“2031 Indenture”), dated November 19, 2024. The 2031 Notes are unsecured, bear interest at a fixed rate of 0.75% per year, payable semi-annually in arrears on June 1 and December 1 of each year, beginning on June 1, 2025, and mature on December 1, 2031, unless earlier converted, redeemed or repurchased by us.

The 2031 Notes are our senior, unsecured obligations and are (i) equal in right of payment with our existing and future senior unsecured indebtedness; (ii) senior in right of payment to our existing and future indebtedness that is expressly subordinated to the 2031 Notes; (iii) effectively subordinated to our existing and future secured indebtedness, to the extent of the value of the collateral securing that indebtedness; and (iv) structurally subordinated to all existing and future indebtedness and other liabilities.

The initial conversion rate of the 2031 Notes is 10.0308 shares of our common stock per \$1,000 principal amount of 2031 Notes (which is equivalent to an initial conversion price of approximately \$99.69 per share). The conversion rate is subject to adjustment upon the occurrence of certain events specified in the 2031 Indenture. In addition, upon the occurrence of a Make-Whole Fundamental Change or if we deliver a Redemption Notice, both as defined in the 2031 Indenture, we will, in certain circumstances, increase the conversion rate by a number of additional shares of common stock as described in the 2031 Indenture for a holder who elects to convert its 2031 Notes in connection with such Make-Whole Fundamental Change or to convert its 2031 Notes called (or deemed called as provided in the 2031 Indenture) for redemption in connection with such Redemption Notice, as the case may be.

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At any time from, and including, September 2, 2031, the 2031 Notes are convertible at the option of the holders thereof only under the following circumstances: (1) during any calendar quarter commencing after the first calendar quarter ending on March 31, 2025, if the last reported sale price per share of our common stock exceeds 130% of the conversion price for at least 20 trading days (whether or not consecutive) during the 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter; (2) during the five consecutive business days after any ten consecutive trading day period (such ten consecutive trading day period, the “measurement period”) in which the Trading Price per \$1,000 principal amount of the 2031 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price per share of our common stock on such trading day and the conversion rate on such trading day; (3) if we call such 2031 Notes for redemption; or (4) upon the occurrence of specified corporate events or distributions on our common stock (as defined in the 2031 Indenture). As of December 2025, none of the conditions allowing holders of the 2031 Notes to convert had been met. On or after September 2, 2031 until the close of business on the second scheduled trading day immediately preceding the maturity date of the 2031 Notes, holders of the 2031 Notes may convert all or a portion of their 2031 Notes, regardless of the foregoing conditions. Upon conversion, the 2031 Notes will be settled in cash, shares of our common stock based on the conversion rate (as defined in the 2031 Indenture) or any combination thereof, at our election.

The 2031 Notes are redeemable, at our option at any time, and from time to time, on or after December 6, 2028. We may redeem for cash all or any portion of the 2031 Notes (subject to the limitation described below), at our option, on or after December 6, 2028 and on or before the 40th scheduled trading day immediately before December 1, 2031 at a cash redemption price equal to the principal amount of the 2031 Notes to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, but only if (i) the notes are Freely Tradable (as defined in 2031 Indenture) as of the date we send the related redemption notice and all accrued and unpaid additional interest, if any, has been paid in full as of the most recent interest payment date occurring on or before the date we send such notice; and (ii) the last reported sale price per share of our common stock exceeds 130% of the conversion price on (1) each of at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the trading day immediately before the date we send such redemption notice; and (2) the trading day immediately before the date we send such notice. However, we may not redeem less than all of the outstanding notes unless at least \$100.0 million aggregate principal amount of notes are outstanding and not called for redemption as of the time we send, and after giving effect to, the related redemption notice. In addition, calling any note for redemption will constitute a Make-Whole Fundamental Change with respect to that note, in which case the conversion rate applicable to the conversion of that note will be increased in certain circumstances if it is converted after it is called for redemption. No sinking fund is provided for the 2031 Notes.

Upon the occurrence of a Fundamental Change (as defined in the 2031 Indenture) prior to the maturity date of the 2031 Notes, holders of the 2031 Notes may require us to repurchase their notes for a cash repurchase price equal to the principal amount of the 2031 Notes to be repurchased, plus any accrued and unpaid interest, if any, to, but excluding, the Fundamental Change Repurchase Date (as defined in the 2031 Indenture).

2031 Capped Calls

In connection with the issuance of the 2031 Notes, we entered into privately negotiated capped call transactions (each, a “2031 Capped Call” and collectively, the “2031 Capped Calls”) with certain financial institutions. The 2031 Capped Calls have an initial strike price of \$99.69, subject to certain adjustments, which corresponds to the initial conversion price of the 2031 Notes. The 2031 Capped Calls have an initial cap price of \$150.48 per share, subject to certain adjustments. The 2031 Capped Calls are expected to partially offset the potential dilution to the Company’s common stock upon any conversion of the 2031 Notes, with such offset subject to a cap based on the cap price. The 2031 Capped Calls cover, subject to anti-dilution adjustments, approximately 4.5 million shares of the Company’s common stock. The 2031 Capped Calls are subject to adjustment upon the occurrence of specified extraordinary events affecting the Company, including merger events, tender offers and announcement events. For accounting purposes, each 2031 Capped Call is treated as a separate transaction from, and not part of, the terms of the 2031 Notes. As these transactions meet certain accounting criteria, the 2031 Capped Calls are recorded in stockholders’ equity and are not accounted for as derivatives. The 2031 Capped Calls will not be remeasured as long as they continue to meet the conditions for equity classification.

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Contractual interest expense and amortization of debt issuance costs on the 2031 Notes was as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Interest expense	\$ 0.8	\$ 0.4	\$ 1.7	\$ 0.4
Amortization of debt issuance costs	0.5	0.2	0.9	0.2
Total interest expense	<u>\$ 1.3</u>	<u>\$ 0.6</u>	<u>\$ 2.6</u>	<u>\$ 0.6</u>

2029 Notes

In March 2021, we issued \$400.0 million aggregate principal amount of senior notes due June 15, 2029 ("2029 Notes"), which bear interest at a rate of 4.0% payable semi-annually on December 15 and June 15 of each year. The 2029 Notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by each of our current and future domestic restricted subsidiaries that guarantee our obligations under our senior secured credit facilities.

The indenture to the 2029 Notes (the "2029 Indenture") contains covenants that, among other things, limit our ability and the ability of our Restricted Subsidiaries (as defined in the 2029 Indenture) to (i) incur additional indebtedness and guarantee indebtedness; (ii) pay dividends or make other distributions or repurchase or redeem our company's or any parent's capital stock; (iii) prepay, redeem or repurchase certain indebtedness; (iv) issue certain preferred stock or similar equity securities; (v) make loans and investments; (vi) dispose of assets; (vii) incur liens; (viii) enter into transactions with affiliates; (ix) enter into agreements restricting its subsidiaries' ability to pay dividends; and (x) consolidate, merge or sell all, or substantially all, of its assets.

The 2029 Indenture contains customary events of default. An event of default under the 2029 Indenture will allow either the trustee or the holders of at least 25% in aggregate principal amount of the then outstanding 2029 Notes to accelerate, or in certain cases automatically cause the acceleration of, the maturity of the principal and accrued interest on all outstanding 2029 Notes.

We may redeem some or all of the 2029 Notes at a price of 101% of the principal amount in 2025 and at 100% of the principal amount in 2026 and thereafter.

Contractual interest expense and amortization of debt issuance costs on the 2029 Notes was as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Interest expense	\$ 4.0	\$ 4.0	\$ 8.0	\$ 8.0
Amortization of debt issuance costs	0.2	0.2	0.4	0.3
Total interest expense	<u>\$ 4.2</u>	<u>\$ 4.2</u>	<u>\$ 8.4</u>	<u>\$ 8.3</u>

Term Loan Facility

In December 2021, we entered into a first amendment and lender joinder agreement to our credit agreement, to, among other things, establish a new \$600.0 million incremental term loan facility ("Term Loan Facility"). The Term Loan Facility was advanced by certain existing and new lenders under our credit agreement and was scheduled to mature on December 2, 2028. During the second quarter of fiscal 2025, we used a portion of the net proceeds from the 2031 Notes to repay the outstanding balance and accrued interest thereon.

For the three and six months ended December 2024, contractual interest expense and amortization of debt issuance costs on the Term Loan Facility was \$7.5 million and \$19.4 million, respectively.

Revolving Credit Facility

We have \$350.0 million available under a revolving credit agreement, as amended ("Revolving Credit Facility"), with a maturity date to be the earlier of (i) November 21, 2029 and (ii) ninety-one (91) days prior to any maturity of the 2029 Notes. Additionally, the Revolving Credit Facility provides a \$25.0 million sublimit for letters of credit

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and a \$25.0 million sublimit for swingline loans. As of December 2025, there was no balance outstanding under the Revolving Credit Facility.

The Revolving Credit Facility bears interest, at our election, at a Base Rate plus an Applicable Margin or Adjusted Term SOFR, as defined in the Revolving Credit Facility agreement. We are required to pay a commitment fee on any unused commitments which is determined on a leverage-based sliding scale ranging from 0.175% to 0.25% per annum. The unused commitment fees on the Revolving Credit Facility and amortization of issuance costs thereon were \$0.5 million and \$0.3 million for the three months ended December 2025 and 2024, respectively, and were \$0.8 million and \$0.7 million for the six months ended December 2025 and 2024, respectively.

The Revolving Credit Facility contains various restrictive covenants, including two financial covenants which limit the consolidated total net leverage ratio and the consolidated net interest coverage ratio. As of December 2025, we remain in compliance with the restrictive covenants.

Maturities

As of December 2025, principal maturities of our Notes were as follows:

	2029 Notes	2031 Notes	Total
2026 - 2028	\$ —	\$ —	\$ —
2029	400.0	—	400.0
2030 and thereafter	—	450.0	450.0
	<u>\$ 400.0</u>	<u>\$ 450.0</u>	<u>\$ 850.0</u>

10. Leases

As of December 2025 and June 2025, the components of leases are as follows:

	December 2025	June 2025
Operating lease right-of-use assets	\$ 42.9	\$ 45.2
Operating lease liabilities	\$ 11.4	\$ 12.3
Operating lease liabilities, long-term	34.4	35.8
Total operating lease liabilities	<u>\$ 45.8</u>	<u>\$ 48.1</u>

Supplemental cash flow information related to leases is as follows:

	Six Months Ended December	
	2025	2024
Cash paid for operating leases included in operating cash flows	\$ 6.7	\$ 6.8
Lease liabilities arising from obtaining right-of-use assets	\$ 6.6	\$ 4.7

As of December 2025, the weighted average remaining lease term was 5.50 years, and the weighted average discount rate was 5.19%.

For the three months ended December 2025 and December 2024, we recorded operating lease expense of \$3.3 million and \$3.2 million, respectively. For the six months ended December 2025 and December 2024, we recorded operating lease expense of \$6.4 million in each period. Our short-term leases are immaterial, and we do not have finance leases.

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Future minimum lease payments for the operating lease liabilities were as follows:

Fiscal Year	Operating Lease Payments
Remainder of 2026	\$ 7.6
2027	10.8
2028	8.9
2029	7.9
2030	5.4
Thereafter	12.0
Total future minimum operating lease payments	52.6
Less: interest	(6.8)
Total lease liabilities	\$ 45.8

11. Indemnifications and Contingencies

Commitments

As of December 2025, we had commitments of \$29.0 million for purchase obligations which include payments for the acquisition of inventories, other goods or services of either a fixed or minimum quantity and obligations for future payments related to software, technology and IP license agreements. Total future unconditional purchase commitments in future fiscal years were as follows:

Remainder of 2026	\$ 15.1
2027	8.4
2028	5.5
Total	\$ 29.0

The amounts in the table above exclude gross unrecognized tax benefits related to uncertain tax positions of \$42.9 million. As of December 2025, we were unable to make a reasonably reliable estimate of when cash settlement with a taxing authority may occur in connection with our gross unrecognized tax benefits.

Indemnifications

In connection with certain agreements, we are obligated to indemnify the counterparty against third party claims alleging infringement of certain intellectual property rights. We have in the past, and may in the future, receive notices from third parties that claim our products infringe their intellectual property rights. We cannot be certain that our technologies and products do not, and will not, infringe issued patents or other proprietary rights of third parties. Any infringement claims, with or without merit, could result in significant litigation costs and diversion of management and financial resources, including the payment of damages, which could have a material adverse effect on our business, financial condition and results of operations. We accrue for liabilities arising from indemnifications when it is both probable that we will incur the loss and we can reasonably estimate the amount of the loss or range of loss.

We have also entered into indemnification agreements with our officers and directors. Maximum potential future payments under these agreements cannot be estimated because these agreements generally do not have a maximum stated liability. However, historical costs related to these indemnification provisions have not been significant.

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Legal Proceedings

From time to time, we are subject to various claims and legal proceedings, either asserted or unasserted, that arise in the ordinary course of business. We accrue for loss contingencies when it is both probable that we will incur the loss and we can reasonably estimate the amount of the loss or range of loss. While we currently believe that resolving claims against us, individually or in the aggregate, will not have a material adverse impact on our business, financial condition or results of operations, these matters are subject to inherent uncertainties and our view of these matters may change in the future.

12. Common Stock Share-Based Compensation

Stock Repurchase Program

We have a Board-approved stock repurchase program authorizing repurchases of up to \$150.0 million of our common stock. This program does not have an expiration date; however, we will periodically review the authorization to assess its continued appropriateness in light of our capital allocation priorities and market conditions. The number of shares repurchased and the timing of repurchases depend on the level of our cash balances, general business and market conditions and other factors, including alternative investment opportunities.

During the three and six months ended December 2025, we repurchased \$36.4 million and \$43.6 million of our common stock, respectively, and \$106.4 million remains available for future stock repurchases under the stock repurchase program.

Share-Based Compensation

Share-based compensation recognized in our condensed consolidated statements of operations was as follows:

	Three Months Ended		Six Months Ended	
	December		December	
	2025	2024	2025	2024
Cost of revenue	\$ 0.2	\$ 0.3	\$ 0.6	\$ (2.4)
Research and development	21.6	15.6	42.4	30.1
Selling, general, and administrative	16.9	18.7	32.4	34.1
Total	<u>\$ 38.7</u>	<u>\$ 34.6</u>	<u>\$ 75.4</u>	<u>\$ 61.8</u>

Share-Based Compensation Plan Activity

Restricted Stock Units

RSUs granted generally vest ratably over two to three years from the vesting commencement date. RSU activity was as follows:

	RSU Awards Outstanding	Weighted- Average Grant Date Fair Value per Share
Balance as of June 2025	3.0	\$ 66.3
Granted	1.6	\$ 66.9
Vested	(0.7)	\$ 83.7
Forfeited	(0.1)	\$ 76.0
Balance as of December 2025	<u>3.8</u>	<u>\$ 63.1</u>

The unrecognized share-based compensation cost of our outstanding RSUs was approximately \$197.4 million as of December 2025, which will be recognized over a weighted average period of approximately 1.86 years.

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Market Stock Units

An MSU is a promise to deliver shares of our common stock at a future date based on the achievement of market-based performance requirements in accordance with the terms of the MSU grant agreement.

MSU activity was as follows:

	MSU Awards Outstanding	Weighted- Average Grant Date Fair Value per Share
Balance as of June 2025	0.1	\$ 179.1
Granted	0.1	\$ 100.0
Delivered	—	\$ 187.0
Forfeited	—	\$ 174.9
Balance as of December 2025	0.2	\$ 127.8

We value MSUs using a Monte Carlo simulation model on the date of grant and amortize the compensation expense over the three-year performance and service period on a ratable basis by tranche. The unrecognized share-based compensation cost of our outstanding MSUs was approximately \$16.1 million as of December 2025, which will be recognized over a weighted average period of approximately 1.90 years.

Performance Stock Units

A PSU is a promise to deliver shares of our common stock at a future date based on the achievement of performance-based requirements in accordance with the terms of the PSU grant agreement.

PSU activity was as follows:

	PSU Awards Outstanding	Weighted- Average Grant Date Fair Value per Share
Balance as of June 2025	0.2	\$ 81.5
Granted	0.2	\$ 73.8
Delivered	(0.1)	\$ 76.5
Forfeited	—	\$ 92.7
Balance as of December 2025	0.3	\$ 75.6

We value PSUs using the intrinsic value on the date of grant adjusted for estimated performance achievement during the performance period and amortize the compensation expense over the three-year service period on a ratable basis. The amount of stock-based compensation expense recognized in any period related to PSUs can vary based on the achievement or anticipated achievement of the performance conditions. If the performance conditions are not met, or not expected to be met, no compensation cost would be recognized on the underlying PSUs, and any previously recognized compensation expense related to those PSUs would be reversed. The unrecognized share-based compensation cost of our outstanding PSUs was approximately \$14.9 million as of December 2025, which will be recognized over a weighted average period of approximately 1.24 years.

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Employee Stock Purchase Plan

Shares purchased, weighted average purchase price, cash received, and the aggregate intrinsic value for employee stock purchase plan purchases during the six months ended December 2025, were as follows:

Shares purchased	\$	0.1
Weighted average purchase price per share	\$	53.4
Cash received	\$	7.4
Aggregate intrinsic value	\$	2.4

13. Income Taxes

We account for income taxes under the asset and liability method. The provision for income taxes recorded in interim periods is based on our estimate of the annual effective tax rate applied to year-to-date income before provision for income taxes, adjusted for discrete items required to be recognized in the period in which they are incurred. In each quarter, we update our estimate of the annual effective tax rate, and if the estimated annual tax rate changes, we make a cumulative adjustment in that quarter. Our quarterly tax provision and our quarterly estimate of the annual effective tax rate can be subject to volatility due to several factors, including our ability to accurately forecast annual income before provision for income taxes in each of the tax jurisdictions in which we operate.

The benefit from income taxes of \$2.7 million and \$4.8 million for the three and six months ended December 2025, respectively, represented estimated federal, foreign, and state income taxes. The effective tax rate for the three and six months ended December 2025 diverged from the combined U.S. federal and state statutory tax rate primarily due to non-deductible share-based compensation and non-deductible officer compensation, partially offset by the benefit of research credits, the benefit from U.S. inclusion of foreign income and foreign income taxed at lower rates.

The effective tax rate for the three and six months ended December 2024 diverged from the combined U.S. federal and state statutory tax rate primarily due to two one-time events: 1) deferred tax benefit driven by a “check-the-box election” for our Israel subsidiary to be treated as a U.S. disregarded entity for federal income tax purpose, and 2) a tax benefit associated with our fiscal 2018 federal one-time deemed repatriation liability under the U.S. Tax Cuts and Jobs Act, or TCJA, resulting from a recent U.S. Tax Court decision in Varian Medical Systems, Inc. v. Commissioner. The U.S. Tax Court held that a fiscal year taxpayer was entitled to claim a dividend received deduction, or DRD, on certain dividends deemed received during its gap period. The divergence also reflects foreign income taxed at lower rates. These benefits were partially offset by non-deductible share-based compensation and non-deductible officer compensation.

The total liability for gross unrecognized tax benefits related to uncertain tax positions decreased \$1.8 million during the six months ended December 2025, to \$42.9 million, and was included in other long-term liabilities on our condensed consolidated balance sheets. If recognized, the total gross unrecognized tax benefits would reduce the effective tax rate on income from continuing operations. Accrued interest and penalties related to unrecognized tax benefits as of December 2025 and June 2025 were \$4.3 million and \$4.2 million, respectively. We classify interest and penalties as components of income tax expense. Any prospective adjustments to our unrecognized tax benefits will be recorded as an increase or decrease to income tax expense and cause a corresponding change to our effective tax rate. Accordingly, our effective tax rate could fluctuate materially from period to period.

Our major tax jurisdictions are the United States, Hong Kong SAR, Japan, Israel and the United Kingdom. From fiscal 2017 onward, we remain subject to examination by one or more of these jurisdictions.

14. Revenue

The majority of our revenue is generated from product shipments to our customers. A summary of our product categories is as follows:

- Core IoT: Includes products for Wireless and Processor Solutions.

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- Enterprise and Automotive: Includes products for PC Touch Pad, PC Fingerprint, Video Interface Solutions and Automotive Solutions.
- Mobile: Includes products for Touch and Display Solutions for Mobile phone applications.

Disaggregation of revenue

Net revenue by product category was as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Enterprise and Automotive product applications	\$ 161.1	\$ 159.1	\$ 308.8	\$ 306.7
Core IoT product applications	93.2	61.1	196.8	120.7
Mobile product applications	48.2	47.0	89.4	97.5
	<u>\$ 302.5</u>	<u>\$ 267.2</u>	<u>\$ 595.0</u>	<u>\$ 524.9</u>

Net revenue by geographic region, based on the billing location of our customers, for the periods presented were as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
China/Hong Kong	\$ 144.1	\$ 112.2	\$ 286.2	\$ 240.0
Taiwan	86.2	77.4	180.6	141.5
Japan	28.9	43.6	56.6	81.8
Other	14.9	12.5	29.9	23.1
South Korea	22.5	18.8	34.6	34.0
United States	5.9	2.7	7.1	4.5
	<u>\$ 302.5</u>	<u>\$ 267.2</u>	<u>\$ 595.0</u>	<u>\$ 524.9</u>

Net revenue by customer whose revenue represented 10% or more of our total net revenue for the periods presented was as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Customer A	17%	15%	17%	14%
Customer B	14%	11%	11%	12%
Customer C	*	*	12%	*

* Less than 10%

At December 2025 and June 2025, three customers comprised a total of 36% and 45% of our accounts receivable, respectively.

Contract Liabilities

Our contract liabilities are comprised of deferred revenue and primarily relate to our obligation to transfer goods, services or licenses of our IP to customers for which we have received consideration. Contract liabilities were \$7.4 million and \$16.2 million as of December 2025 and June 2025, respectively, and are presented as part of customer-related liabilities in accrued liabilities in the accompanying condensed consolidated balance sheets. See "Note 3. Supplemental Financial Statement Information." During the three months ended December 2025 and December 2024, we recognized \$8.6 million and \$0.9 million, respectively, in revenue related to contract

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liabilities outstanding as of the beginning of each such fiscal year. During the six months ended December 2025 and December 2024, we recognized \$10.1 million and \$13.5 million, respectively, in revenue related to contract liabilities, which was outstanding as of the beginning of each fiscal quarter.

15. Segment and Other Information

Segment reporting

We operate in one segment — the development, marketing and sale of semiconductor products used in electronic devices and products. This determination is based on the management approach, which designates internal information regularly available to the chief operating decision maker (“CODM”) for making decisions and assessing performance as the source of determination of our reportable segment. Our CODM, the Chief Executive Officer, reviews financial information presented on a consolidated basis for the purpose of making operating decisions and assessing financial performance.

The CODM uses consolidated net income (loss), as reported in our consolidated statements of operations, as the measure of profit or loss to allocate resources and assess performance. Financial forecasts and budget-to-actual results used by the CODM to assess performance and allocate resources, as well as those used for strategic decisions related to headcount and capital expenditures, are also reviewed on a consolidated basis. The CODM considers the impact of the significant segment expenses in the tables below when deciding whether to reinvest profits or pursue strategic mergers and acquisitions.

The measure of segment assets is reported on the consolidated balance sheet as total assets. The CODM does not review segment assets at a level other than that presented in the accompanying consolidated balance sheets.

The following table presents the calculation of segment net income (loss) as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Revenue	\$ 302.5	\$ 267.2	\$ 595.0	\$ 524.9
Adjusted cost of revenue (1)	140.4	123.9	277.4	242.6
Adjusted operating expenses (2)	104.2	97.1	208.2	193.0
Stock-based compensation	38.7	34.6	75.4	61.8
Intangible asset amortization	34.0	24.6	69.2	49.2
Interest and other (income) expense, net	1.6	3.7	0.4	9.0
Income tax benefit	(2.7)	(27.8)	(4.8)	(39.0)
Other segment expenses (3)	1.1	9.3	4.6	29.6
Segment net income (loss)	<u>\$ (14.8)</u>	<u>\$ 1.8</u>	<u>\$ (35.4)</u>	<u>\$ (21.3)</u>
Consolidated net income (loss)	<u>\$ (14.8)</u>	<u>\$ 1.8</u>	<u>\$ (35.4)</u>	<u>\$ (21.3)</u>

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(all tabular amounts in millions, except per share amounts)
(unaudited)

(1) Adjusted cost of revenue is cost of revenue adjusted for intangible asset amortization and stock-based compensation as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Cost of revenue	\$ 170.8	\$ 145.0	\$ 338.7	\$ 281.8
Less:				
Intangible asset amortization	30.2	20.8	60.7	41.6
Stock-based compensation	0.2	0.3	0.6	(2.4)
Adjusted cost of revenue	\$ 140.4	\$ 123.9	\$ 277.4	\$ 242.6

(2) Adjusted operating expenses is operating expenses comprised of research and development and general and administrative expenses adjusted for stock-based compensation, intangible asset amortization, restructuring and impairment related charges as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Operating expenses	\$ 146.8	\$ 137.4	\$ 294.6	\$ 286.7
Less:				
Stock-based compensation	38.5	34.3	74.8	64.2
Intangible asset amortization	3.8	3.8	8.5	7.6
Restructuring costs	0.1	0.8	2.6	15.0
Other	0.2	1.4	0.5	6.9
Adjusted operating expenses	\$ 104.2	\$ 97.1	\$ 208.2	\$ 193.0

(3) Other segment expenses primarily include restructuring charges, legal and vendor related charges and settlements, acquisition and integration related costs, amortization of debt issuance costs and loss on early extinguishment of debt.

16. Restructuring Activities

We continuously evaluate our operations to reduce costs and increase profitability, increase operational efficiencies and gain synergies from our previous acquisitions and align our business in response to market conditions.

A summary of restructuring costs as presented in our condensed consolidated statements of operations is as follows:

	Three Months Ended December		Six Months Ended December	
	2025	2024	2025	2024
Employee severance and related costs	\$ 0.1	\$ 0.8	\$ 1.8	\$ 15.0
Lease termination costs (1)	—	—	0.8	—
	\$ 0.1	\$ 0.8	\$ 2.6	\$ 15.0

SYNAPTICS INCORPORATED AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(all tabular amounts in millions, except per share amounts)
(unaudited)

The following table presents the beginning and ending restructuring liability balances for each restructuring action:

	Fiscal 2026 Restructuring
Balance, June 2025	\$ —
Charges	1.8
Payments	(1.7)
Balance, December 2025	<u>\$ 0.1</u>

(1) Lease termination costs of \$0.8 million were recorded directly to the condensed consolidated statements of operations during the six months ended December 2025 and were not included in the restructuring liability balance above.

Fiscal 2026 Restructuring Plan

A restructuring plan was initiated during the first quarter of fiscal 2026 ("Fiscal 2026 Restructuring Plan") to streamline and optimize resources and to reduce operating costs. Restructuring charges under this plan are mainly comprised of severance and one-time termination benefits. We completed all actions under this restructuring plan in the second quarter of fiscal 2026.

Fiscal 2025 Restructuring Plan

A restructuring plan was initiated during the first quarter of fiscal 2025 ("Fiscal 2025 Restructuring Plan") primarily intended to focus on key growth initiatives, reduce costs and align our business in response to market conditions. Restructuring charges were mainly comprised of severance and one-time termination benefits and lease termination costs. As of the first quarter of fiscal 2026, all actions under the Fiscal 2025 Restructuring have been completed.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements and Factors That May Affect Results

This Quarterly Report on Form 10-Q for the quarter ended December 27, 2025 (this "Report") contains forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933, as amended, or the Securities Act, and the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business, can be identified by the fact that they do not relate strictly to historical or current facts. Such forward-looking statements may include words such as "expect," "anticipate," "intend," "believe," "estimate," "plan," "target," "strategy," "continue," "may," "commit," "will," "should," variations of such words, or other words and terms of similar meaning.

All forward-looking statements reflect our best judgment as of the date of this Report and are based on assumptions and several factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Such factors include, but are not limited to, the following: macroeconomic uncertainties in the U.S. and globally, including those arising from trade tensions, tariffs, inflation, and market volatility, which may adversely affect customer demand for our products, purchasing behavior, and the timing of orders; variability in demand across our target end markets; constraints or imbalances in the availability of certain component parts, including the current industry-wide tightness in memory chips that are used in combination with our products, as well as associated cost increases (to us and our customers), which may affect customer development timelines, production schedules, purchasing behavior, booking patterns, and the timing or visibility of orders for our solutions; risks related to our continued dependence on our solutions for the Core IoT and Enterprise and Automotive product applications market for a substantial portion of our revenue; risks related to the volatility of our net revenue from our solutions for Core IoT and Enterprise and Automotive product applications, including competition from new or established IoT and wireless service companies or from those with greater resources; our dependence on and/or loss of one or more large customers for a substantial portion of our revenue, and the loss of commitments from, contracts with, or a significant reduction in orders from, one or more of our major customers could have a material adverse effect on our revenue and operating results; and our exposure to industry downturns and cyclical in our target markets.

Additional factors include risks related to the success and timing of new product solutions for existing or new markets; our ability to successfully execute on our strategy to develop integrated solutions including audio, touch, and vision interfaces with embedded processing and wireless connectivity for customer adoption; risks related to our expectations regarding technology and strategic investments and the anticipated timing or benefits thereof; historical and continued decreases in our average selling prices due to changes in our product sales mix and decreased revenue from our mobile product applications; our ability to attract and retain key talent necessary to drive our strategic initiatives, including our Edge AI strategies, in a highly competitive industry; our ability to execute on our cost reduction initiatives and to achieve anticipated synergies and expense reductions; our ability to maintain and build relationships with our customers; our dependence on and/or interruption or loss of, a limited number of suppliers and subcontractors, including suppliers' manufacturing capacity constraints, the ability of these third parties to maintain satisfactory manufacturing yields and delivery schedules; the risk that our indemnification obligations for third-party claims could result in substantial costs; risks and uncertainty related to regional instabilities and hostilities, economic volatility, and regulatory changes, any of which could disrupt our supply chain, elevate our costs, and undermine the competitiveness of our offerings, requiring operational adjustments, such as reductions in force, or otherwise adversely affecting our financial condition and operating results; changes in export restrictions and laws affecting the Company's trade and investments; and the other risks as identified in the "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" sections of our Annual Report on Form 10-K for the fiscal year ended June 28, 2025, and other risks as identified from time to time in our SEC reports. Forward-looking statements are based on information available to us on the date hereof, and we do not have, and expressly disclaim, any obligation to publicly release any updates or any changes in our expectations, or any change in events, conditions, or circumstances on which any forward-looking statement is based, except as required by law. Our actual results and the timing of certain events could differ materially from the forward-looking statements. These forward-looking statements do not reflect the potential impact of any mergers, acquisitions, or other business combinations that have not been completed as of the date of this filing.

Statements made in this Report, unless the context otherwise requires, include the use of the terms “us,” “we,” “our,” the “Company” and “Synaptics” to refer to Synaptics Incorporated and its consolidated subsidiaries.

Overview

We are a leading worldwide developer and fabless supplier of premium mixed signal semiconductor solutions. We develop solutions that integrate the audio, touch and vision interfaces with embedded processing capabilities that are paired with wireless connectivity. We believe our results to date reflect the combination of our customer focus and the strength of our intellectual property and our engineering know-how, which allow us to develop or engineer products and solutions that meet the demanding design specifications of our OEMs.

Net revenue in the second quarter of fiscal 2026 was \$302.5 million and was 13.2% higher than net revenue compared to the same period a year ago. This was primarily due to an increase in net revenue in our Core IoT product applications, which increased 52.5% compared to the same period a year ago, primarily driven by an increase in units sold and an increase in average selling prices due to our product sales mix, inclusive of the contribution from the Broadcom transaction.

Gross margin for the three months ended December 2025 and December 2024 was 43.5% and 45.7%, respectively. The decrease in gross margin was primarily due to an increase in amortization of acquired intangible assets primarily from the developed technologies we acquired from Broadcom during fiscal 2025, partially offset by an increase in revenue from the licensing of certain of our IP.

As of December 2025, our aggregate cash and cash equivalents and short-term investments of \$437.4 million decreased by \$15.1 million compared to June 2025. During the three months ended December 2025, we generated \$29.8 million of cash from operating activities, and we returned \$36.4 million to stockholders through the repurchase of common stock under our stock repurchase program.

Trends and Uncertainties

Macroeconomic Conditions and Regulations

As a majority of our sales and manufacturing occurs outside of the U.S., we are exposed to and impacted by global macroeconomic factors, U.S. and foreign government policies and foreign exchange fluctuations. We continue to monitor changes in international trade policies, particularly increased tariffs and other barriers or restrictions between the United States and other countries, including China. Our current operations suggest limited direct tariff exposure given our current import and export practices. However, some of our customers and suppliers may be impacted by evolving tariff regimes depending on their own supply chain strategies and sourcing locations. We continue to monitor for any potential customer and supplier impacts, ranging from supply chain realignments to changes in end demand. While the broader implications of these activities remain uncertain, based on our current lead times and order activity, we are not seeing unusual activity that would suggest material changes in the timing of orders from our customers due to tariffs that would be likely to impact our near-term financial performance. We will continue to assess the short- and long-term effects of these international trade policies and restrictions on our financial and operational performance.

Industry Conditions

The current constrained availability and pricing dynamics for certain memory components across the broader electronics supply chain have, at times, influenced the timing of orders for certain products, particularly for smaller customers. This condition did not have a material impact on our results for the quarter; however, given limited visibility into future availability and timing, as well as increased associated costs, they may affect customer development timelines, production schedules, booking patterns, and the timing or visibility of orders in future periods. We continue to monitor these conditions and their potential impact on customer demand and ordering behavior.

Results of Operations

Certain of the data used in our condensed consolidated statements of operations for the periods indicated, together with comparative absolute and percentage changes in these amounts, were as follows:

	Three Months Ended December				Six Months Ended December			
	2025		2024		2025		2024	
	(in millions)	% of net revenue	(in millions)	% of net revenue	(in millions)	% of net revenue	(in millions)	% of net revenue
Enterprise and Automotive product applications	\$ 161.1	53.3 %	\$ 159.1	59.5 %	\$ 308.8	51.9 %	\$ 306.7	58.4 %
Core IoT product applications	93.2	30.8 %	61.1	22.9 %	196.8	33.1 %	120.7	23.0 %
Mobile product applications	48.2	15.9 %	47.0	17.6 %	89.4	15.0 %	97.5	18.6 %
Net revenue	302.5	100.0 %	267.2	100.0 %	595.0	100.0 %	524.9	100.0 %
Gross margin	131.7	43.5 %	122.2	45.7 %	256.3	43.1 %	243.1	46.3 %
Operating expenses:								
Research and development	95.1	31.4 %	83.3	31.2 %	189.5	31.8 %	164.6	31.4 %
Selling, general and administrative	47.8	15.8 %	49.5	18.5 %	94.0	15.8 %	99.5	19.0 %
Acquired intangibles amortization	3.8	1.3 %	3.8	1.4 %	8.5	1.4 %	7.6	1.4 %
Restructuring costs	0.1	— %	0.8	0.3 %	2.6	0.4 %	15.0	2.9 %
Total operating expenses	146.8	48.5 %	137.4	51.4 %	294.6	49.4 %	286.7	54.7 %
Operating loss	(15.1)	(5.0) %	(15.2)	(5.7) %	(38.3)	(6.3) %	(43.6)	(8.4) %
Loss on early retirement of debt	—	— %	(6.5)	(2.4) %	—	— %	(6.5)	(1.2) %
Interest income (expense) and other, net	(2.4)	(0.8) %	(4.3)	(1.6) %	(1.9)	(0.3) %	(10.2)	(1.9) %
Loss before benefit from income taxes	(17.5)	(5.8) %	(26.0)	(9.7) %	(40.2)	(6.6) %	(60.3)	(11.5) %
Benefit from income taxes	(2.7)	(0.9) %	(27.8)	(10.4) %	(4.8)	(0.8) %	(39.0)	(7.4) %
Net income (loss)	\$ (14.8)	(4.9) %	\$ 1.8	0.7 %	\$ (35.4)	(5.8) %	\$ (21.3)	(4.1) %

Net Revenue

Net revenue was \$302.5 million for the three months ended December 2025, compared with \$267.2 million for the three months ended December 2024, an increase of \$35.3 million, or 13.2%. Of this net revenue, \$161.1 million, or 53.3%, was from Enterprise and Automotive product applications, \$48.2 million, or 15.9%, was from Mobile product applications, and \$93.2 million, or 30.8%, was from Core IoT product applications. Revenue increased in all of our product applications for the three months ended December 2025 compared with the three months ended December 2024. Net revenue from Core IoT product applications increased due to an increase in units sold (which increased 32.0%), and an increase in average selling prices (which increased 9.6%) due to our product sales mix compared to the same period a year ago, inclusive of the contribution from the acquired business completed in fiscal 2025. Net revenue from Enterprise and Automotive product applications increased primarily due to higher license revenue from certain IP, partially offset by a decrease in units sold (which decreased 8.2%), and a decrease in average selling prices (which decreased 1.3%) due to our product sales mix compared to the same period a year ago. Excluding the impact of this license revenue, net revenue for the three months ended December 2025 from Enterprise and Automotive product applications would have declined year-over-year. Net revenue from Mobile product applications increased due to an increase in units sold (which increased 14.5%), partially offset by a decrease in average selling prices (which decreased 10.4%) due to our product sales mix compared to the same period a year ago.

Net revenue was \$595.0 million for the six months ended December 2025, compared with \$524.9 million for the six months ended December 2024, an increase of \$70.1 million, or 13.4%. Of this net revenue, \$308.8 million,

or 51.9%, was from Enterprise and Automotive product applications, \$89.4 million, or 15.0%, was from Mobile product applications, and \$196.8 million, or 33.1%, was from Core IoT product applications. Revenue increased in most of our product applications for the six months ended December 2025 compared with the six months ended December 2024. Net revenue from Core IoT product applications increased due to an increase in units sold (which increased 48.2%), and an increase in average selling prices (which increased 7.3%) due to our product sales mix compared to the same period a year ago, inclusive of the contribution from the the acquired business completed in fiscal 2025. Net revenue from Enterprise and Automotive product applications increased primarily due to higher license revenue from certain IP, partially offset by a decrease in average selling prices (which decreased 4.9%) due to our product sales mix while units shipped remained flat compared to the same period a year ago. Excluding the impact of this license revenue, net revenue for the six months ended December 2025 from Enterprise and Automotive product applications would have declined year-over-year. Net revenue from Mobile product applications decreased due to a decrease in average selling prices (which decreased 12.6%) and lower license revenue from certain of our IP, partially offset by an increase in units sold (which increased 17.6%). Excluding the impact of this lower license revenue, net revenue from Mobile product applications would have increased year-over-year.

Gross Margin

Gross margin as a percentage of net revenue was 43.5%, with gross margin of \$131.7 million, for the three months ended December 2025, compared with 45.7%, with gross margin of \$122.2 million, for the three months ended December 2024. The 220 basis point decrease in gross margin as a percentage of net revenue for the three months ended December 2025 was primarily due to the increase in amortization of acquisition-related intangible assets we acquired from Broadcom during fiscal 2025, partially offset by an increase in revenue from the licensing of certain of our IP.

Gross margin as a percentage of net revenue was 43.1%, with gross margin of \$256.3 million, for the six months ended December 2025, compared with 46.3%, with gross margin of \$243.1 million, for the six months ended December 2024. The net 320 basis point decrease in gross margin as a percentage of net revenue for the six months ended December 2025 was primarily due to the increase in amortization of acquisition-related intangibles on the intangible assets we acquired from Broadcom during fiscal 2025, partially offset by an increase in revenue from the licensing of certain of our IP.

Because we sell our technology solutions in designs that are generally unique or specific to an OEM customer's application, gross margin varies on a product-by-product basis, making our cumulative gross margin a blend of our product specific designs. As a fabless manufacturer, our gross margin percentage is generally not materially impacted by our shipment volume. Under most circumstances, revenue from license-based arrangements is accretive to our gross margin.

Operating Expenses

Research and Development Expenses. Research and development expenses increased \$11.8 million to \$95.1 million for the three months ended December 2025, compared with \$83.3 million for the three months ended December 2024. The increase in research and development expenses was driven by a \$2.9 million increase in wages and related costs primarily related to an increase in headcount driven by the employees we acquired from Broadcom during fiscal 2025, a \$5.9 million increase in stock-based compensation charges primarily related to awards issued to the workforce we acquired from Broadcom during fiscal 2025 and \$1.2 million increase in software maintenance fees.

Research and Development Expenses. Research and development expenses increased \$24.9 million to \$189.5 million for the six months ended December 2025, compared with \$164.6 million for the six months ended December 2024. The increase in research and development expenses was driven by a \$12.3 million increase in stock-based compensation charges primarily related to awards issued to the workforce we acquired from Broadcom during fiscal 2025, a \$4.8 million increase in wages and related costs related to an increase in headcount primarily driven by the employees we acquired from Broadcom during fiscal 2025, and a \$3.3 million increase in project specific costs and new chip development.

Selling, General, and Administrative Expenses. Selling, general, and administrative expenses decreased \$1.7 million to \$47.8 million for the three months ended December 2025, compared with \$49.5 million for the three months ended December 2024. The decrease in selling, general, and administrative expenses was primarily driven by a decrease of \$1.2 million in professional service fees related to certain corporate projects incurred during the second quarter of 2024, with no such projects during the three months ended December 2025.

Selling, General, and Administrative Expenses. Selling, general, and administrative expenses decreased \$5.5 million to \$94.0 million for the six months ended December 2025, compared with \$99.5 million for the six months ended December 2024. The decrease in selling, general, and administrative expenses was primarily driven by a decrease of \$4.2 million in professional service fees related to various corporate projects and costs related to refinancing our Term Loan B facility that we incurred during the six months ended December 2024, with no corresponding corporate projects during the six months ended December 2025.

Acquired Intangibles Amortization. Amortization of acquisition-related intangibles primarily relates to customer relationships and favorable supply contract intangible assets we acquired in previous fiscal years and remained consistent during the three and six months ended December 2025 compared to the same period a year ago.

Restructuring Costs. Restructuring costs primarily reflect employee severance costs related to the restructuring of our operations and to improving efficiencies in our operational activities. These headcount-related costs included personnel in research and development and selling, general and administrative functions. See "Item 1. Condensed Consolidated Financial Statements (Unaudited) - Notes to Condensed Consolidated Financial Statements - Note 16. Restructuring Activities for additional information.

Interest income (expense) and other, net. Interest income/(expense) and other, net, include interest income and expense, unused commitment fees and amortization of issuance costs on our revolving credit facility, the 2031 Notes and 2029 Notes and other miscellaneous income or charges.

Interest and other income. Interest and other income includes interest income earned on our invested cash balances and other miscellaneous income. Interest and other income of \$3.6 million decreased by \$4.4 million for the three months ended December 2025, compared to the same period a year ago. The decrease was primarily driven by an overall reduction in our invested cash balances following the early repayment of our Term Loan Facility in the second quarter of fiscal 2025 and the cash paid for the Broadcom acquisition in the third quarter of fiscal 2025.

Interest and other income of \$9.9 million decreased by \$8.4 million for the six months ended December 2025, compared to the same period a year ago. The decrease was primarily driven by a decrease in interest income of \$10.7 million due to the overall reduction in invested cash balances following the early repayment of our Term Loan Facility in the second quarter of fiscal 2025 and the cash paid for the Broadcom acquisition in the third quarter of fiscal 2025, partially offset by a \$2.3 million increase in miscellaneous other income relating to a refund of amounts we paid previously to a third party.

Interest expense. Interest expense primarily includes interest expense on our debt, unused commitment fees on our revolving credit facility and amortization of debt issuance costs. Interest expense of \$6.0 million for the three months ended December 2025, decreased by \$6.3 million compared to the same period a year ago, which was primarily driven by the early repayment of our Term Loan Facility in the second quarter of fiscal 2025. During the three months ended December 2024, the interest expense and amortization of debt issuance costs on the Term Loan facility was \$7.5 million. The Term Loan Facility was repaid with the net proceeds received from the issuance of the 2031 Notes, which bear a significantly lower interest at a rate of 0.75%. See "Note 9. Debt" for additional information.

Interest expense. Interest expense primarily includes interest expense on our debt, unused commitment fees on our revolving credit facility and amortization of debt issuance costs. Interest expense of \$11.8 million for the six months ended December 2025, decreased by \$16.7 million compared to the same period a year ago, which was primarily driven by the early repayment of the Term Loan Facility in November 2024. During the six months ended December 2024, the interest expense and amortization of debt issuance costs on the Term Loan facility was \$19.4 million. The Term Loan Facility was repaid with the net proceeds received from the issuance of the 2031 Notes, which bear a significantly lower interest at a rate of 0.75%. See "Note 9. Debt" for additional information.

Benefit from Income Taxes. Income tax benefit was \$2.7 million and \$4.8 million for the three months and six months ended December 2025, respectively, compared with \$27.8 million and \$39.0 million for the three and six months ended December 2024, respectively. The decrease in income tax benefit was primarily due to the absence of several significant one-time tax benefits recognized in the prior-year period, including a \$14.1 million deferred tax benefit from a "check-the-box election" for our Israel subsidiary to be treated as a U.S. disregarded entity for U.S. federal income tax purposes and an \$8.9 million tax benefit related to our fiscal 2018 U.S. one-time deemed repatriation liability under the U.S. Tax Cuts and Jobs Act, or TCJA, following the U.S. Tax Court decision in *Varian Medical Systems, Inc. v. Commissioner*, both of which were recognized during the three months ended December 2024, as well as a \$7.7 million deferred tax benefit related to inventory reserves

transferred from foreign subsidiaries to the United States recognized during the six months ended December 2024. See "Item 1. Condensed Consolidated Financial Statements (Unaudited) - Notes to Condensed Consolidated Financial Statements - Note 13. Income Taxes for additional information.

On July 4, 2025, the One Big Beautiful Bill Act, or OBBBA, was signed into law. The legislation includes a permanent extension and modification of certain provisions under the 2017 TCJA. Provisions effective for Synaptics beginning June 29, 2025 were reflected in the Company's income tax provision for the six months ended December 2025 and are not expected to have a material impact on the effective tax rate or cash flows. We will continue to monitor forthcoming U.S. Treasury and Internal Revenue Service guidance related to OBBBA and assess potential implications for future reporting periods.

The Organization for Economic Co-operation and Development, or OECD, introduced Pillar Two Model Rules for a global minimum tax of 15% applicable to large multinational corporations. Many countries in which we have business operations, including the United Kingdom, Hong Kong, Switzerland, and Japan, have implemented certain aspects of Pillar Two. The OECD and the implementing countries are expected to continue issuing more guidance and refining their laws. Based on the latest legislation and our current estimate, Pillar Two had no impact on our effective tax rate or cash flows for the first six months of fiscal 2026. We will continue to evaluate the potential impact of these developments as additional guidance is issued and further local enactments occur.

Liquidity and Capital Resources

Our cash and cash equivalents were \$437.4 million and \$391.5 million as of December 2025 and June 2025, respectively.

We consider almost all of the earnings of our foreign subsidiaries as not indefinitely invested overseas and have made appropriate provisions for income or withholding taxes that may result from a future repatriation of those earnings. As of December 2025, \$278.6 million of cash and cash equivalents was held by our foreign subsidiaries. If these funds are needed for our operations in the United States, we would be able to repatriate substantially all of these funds without a material impact on our provision for income taxes.

Cash Flows from Operating Activities. Cash provided by operating activities during the six months ended December 2025 was \$60.0 million compared with cash provided by operating activities of \$11.4 million during same period a year ago. For the six months ended December 2025, the primary operating activities were adjustments for non-cash charges of \$155.7 million and net cash outflows of \$60.3 million from changes in our operating assets and liabilities. The primary drivers of the change in operating assets and liabilities relate to a decrease of \$35.7 million in accrued liabilities primarily related to the accrual and payment of our annual bonus, a decrease of \$5.2 million in accounts payable due to the timing of payments made to our vendors and an increase of \$18.4 million in net inventories in anticipation of increased demand in our wireless products in the second half of fiscal 2026.

During the three months ended December 2025 and December 2024, our days sales outstanding was 39 days and 49 days, respectively. Our annual inventory turns stayed consistent at approximately four during the three months ended December 2025 and December 2024.

Cash Flows from Investing Activities. Cash provided by investing activities during the six months ended December 2025 was \$37.2 million compared to cash used by investing activities of \$14.6 million during the same period a year ago. The increase primarily relates to \$61.0 million in proceeds from maturities of short-term investments which were not subsequently reinvested in short-term investments, partially offset by an increase in purchases of property and equipment driven by expansion in certain of our facilities from our Broadcom transaction in the third quarter of fiscal 2025.

Cash Flows from Financing Activities. Cash used by financing activities for the six months ended December 2025 and December 2024 was \$51.1 million and \$278.2 million, respectively. The decrease was primarily driven by \$583.5 million used to repay the remaining outstanding balance of our Term Loan Facility during the six months ended December 2024, partially offset by net cash proceeds from issuance of our 2031 Notes, net of payments for capped calls and debt issuance costs thereon of \$385.2 million during the six months ended December 2024, as well as a decrease of \$30.9 million in repurchases of our common stock.

Liquidity

We have \$350.0 million available under our revolving credit facility with a maturity date to be the earlier of November 2029 or three months prior to any maturity of our 2029 Notes. As of December 2025, there was no balance outstanding under this facility.

As of December 2025, our principal long-term debt obligations were \$850.0 million.

As of December 2025, we had unconditional purchase commitments of \$29.0 million, of which \$15.1 million are for the remainder of fiscal 2026. We work continually with our suppliers and partners on the timing of payments and deliveries of purchase commitments, taking into account business conditions.

Working Capital Needs. We believe our existing cash and cash equivalents, anticipated cash flows from operating activities and available credit under our revolving credit facility, will be sufficient to meet our working capital and other cash requirements, and our debt service obligations for at least the next 12 months. Our future capital requirements will depend on many factors, including our revenue, the timing and extent of spending to support product development efforts, costs associated with restructuring activities net of projected savings from those activities, costs related to protecting our intellectual property, the expansion of sales and marketing activities, timing of introduction of new products and enhancements to existing products, costs to ensure access to adequate manufacturing, costs of maintaining sufficient space for our workforce, the continuing market acceptance of our product solutions, our common stock repurchase program, and the amount and timing of our investments in, or acquisitions of, other technologies or companies. Further equity or debt financing may not be available to us on acceptable terms. If sufficient funds are not available or are not available on acceptable terms, our ability to fund our future long-term working capital needs, take advantage of business opportunities or to respond to competitive pressures could be limited or severely constrained.

The undistributed earnings of our foreign subsidiaries are not currently required to meet our United States working capital and other cash requirements, but should we repatriate a portion of these earnings, we may be required to pay certain previously accrued state and foreign taxes, which would impact our cash flows.

Critical Accounting Estimates

There have been no significant changes in our critical accounting estimates during the six months ended December 2025, compared with our critical accounting estimates disclosed in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended June 28, 2025.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of December 27, 2025, the market risk related to interest rates on our cash and cash equivalents, and foreign currency exchange risks have not changed materially from the risks disclosed in Item 7A of our Annual Report on Form 10-K for the fiscal year ended June 28, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Principal Executive Officer and Principal Financial Officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our Principal Executive Officer and Principal Financial Officer, as of December 27, 2025, concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

We assessed, with the participation of our Principal Executive Officer and Principal Financial Officer, any change in our internal control over financial reporting as of the end of the fiscal quarter covered by this Report.

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period ended December 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are party to various litigation matters and claims arising from time to time in the ordinary course of business. While the results of such matters cannot be predicted with certainty, we believe that the final outcome of such matters will not have a material adverse effect on our business, financial condition, results of operations or cash flows.

ITEM 1A. RISK FACTORS

We refer you to the Company's risk factors set forth in Part I, Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended June 28, 2025 for material risks that may affect our business. There have been no material changes from the risk factors previously disclosed.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Issuer Purchases of Equity Securities**

Our Board of Directors authorized a stock repurchase program to repurchase up to \$150.0 million of our common stock in August 2025. This program does not have an expiration date; however, the Board will periodically review the authorization to assess its continued appropriateness in light of our capital allocation priorities and market conditions. Repurchases may be made in the open market or through privately negotiated transactions and are intended to comply with Rule 10b-18 under the Exchange Act.

The number of shares repurchased and the timing of repurchases depend on the level of our cash balances, general business and market conditions and other factors, including alternative investment opportunities.

During the three months ended December 2025, repurchases under our common stock repurchase program, excluding excise taxes, were as follows:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (in millions)
September 28, 2025 - October 25, 2025	113,454	\$ 68.41	113,454	\$ 135.0
October 26, 2025 - November 22, 2025	258,362	\$ 63.72	258,362	\$ 118.5
November 23, 2025 - December 27, 2025	179,183	\$ 67.84	179,183	\$ 106.4
Total	550,999			

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 5. OTHER INFORMATION**Trading Arrangements**

During the fiscal quarter ended December 2025, none of our directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

3.1	Synaptics Incorporated Amended and Restated Certificate of Incorporation (incorporated by reference to the registrant's Current Report on Form 8-K as filed with the SEC on October 26, 2023).
3.2	Fourth Amended and Restated Bylaws (incorporated by reference to the registrant's Current Report on Form 8-K as filed with the SEC on July 31, 2025).
10.1*	Synaptics Incorporated Amended and Restated 2019 Equity and Incentive Compensation Plan, as amended
10.2*	Form of Non-Employee Director Restricted Stock Unit Award Agreement under the Amended and Restated 2019 Equity and Incentive Compensation Plan, as amended
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a)
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)
32.1#	Section 1350 Certification of Chief Executive Officer
32.2#	Section 1350 Certification of Chief Financial Officer
101.INS Inline	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH Inline	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File – the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

* Indicates a contract with management or compensatory plan or arrangement.

This information is furnished and not filed for purposes of Sections 11 and 12 of the Securities Act of 1933 and Section 18 of the Securities Exchange Act of 1934.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SYNAPTICS INCORPORATED

Date: February 5, 2026

By: /s/ Rahul Patel
Name: Rahul Patel
Title: President and Chief Executive Officer (Principal Executive Officer)

Date: February 5, 2026

By: /s/ Ken Rizvi
Name: Ken Rizvi
Title: Senior Vice President and Chief Financial Officer (Principal Financial Officer)

SYNAPTICS INCORPORATED

AMENDED AND RESTATED 2019 EQUITY AND INCENTIVE COMPENSATION PLAN

1. **Purpose.** The purpose of this Plan is to attract and retain non-employee Directors, officers and other employees of the Company and its Subsidiaries, and certain consultants to the Company and its Subsidiaries, and to provide to such persons incentives and rewards for service and/or performance.
2. **Definitions.** As used in this Plan:
 - (a) “Appreciation Right” means a right granted pursuant to Section 5 of this Plan.
 - (b) “Base Price” means the price to be used as the basis for determining the Spread upon the exercise of an Appreciation Right.
 - (c) “Board” means the Board of Directors of the Company.
 - (d) “Cash Incentive Award” means a cash award granted pursuant to Section 8 of this Plan.
 - (e) “Cause” shall, with respect to any Participant, have the equivalent meaning (or the same meaning as “cause” or “for cause”) set forth in any employment, consulting, change in control or other agreement for the performance of services between the Participant and the Company or a Subsidiary or, in the absence of any such agreement or any such definition in such agreement, such term shall mean (i) the Participant’s willful, material, and irreparable breach of any employment, consulting, change in control or other agreement between the Participant and the Company or a Subsidiary, (ii) the Participant’s gross negligence in the performance or intentional nonperformance (continuing for thirty (30) days after receipt of written notice of need to cure) of any of the Participant’s material duties and responsibilities to the Company, (iii) the Participant’s willful dishonesty, fraud, or misconduct with respect to the business or affairs of the Company, which materially and adversely affects the operations or reputation of the Company, (iv) the Participant’s indictment for, conviction of, or guilty plea to a felony crime involving dishonesty or moral turpitude whether or not relating to the Company, or (v) a confirmed positive illegal drug test. The good faith determination by the Committee of whether the Participant’s employment or service was terminated by the Company (or a Subsidiary) for “Cause” shall be final and binding for all purposes hereunder.
 - (f) “Change in Control” has the meaning set forth in Section 12 of this Plan.
 - (g) “Code” means the Internal Revenue Code of 1986, as amended from time to time. Any reference to a specific provision of the Code includes any successor provision and the regulations promulgated under such provision.
 - (h) “Committee” means the Compensation Committee of the Board (or its successor(s)), or any other committee of the Board designated by the Board to administer this Plan pursuant to Section 10 of this Plan, and to the extent of any delegation by the Committee to a subcommittee pursuant to Section 10 of this Plan, such subcommittee.

- (i) “Common Stock” means the common stock, par value \$0.001 per share, of the Company or any security into which such common stock may be changed by reason of any transaction or event of the type referred to in Section 11 of this Plan.
- (j) “Company” means Synaptics Incorporated, a Delaware corporation, and its successors.
- (k) “Date of Grant” means the date provided for by the Committee on which a grant of Option Rights, Appreciation Rights, Performance Shares, Performance Units, Cash Incentive Awards, or other awards contemplated by Section 9 of this Plan, or a grant or sale of Restricted Stock, Restricted Stock Units, or other awards contemplated by Section 9 of this Plan, will become effective (which date will not be earlier than the date on which the Committee takes action with respect thereto).
- (l) “Director” means a member of the Board.
- (m) “Disability” means, unless otherwise defined in the applicable Evidence of Award, (i) the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) the Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company or, if applicable, any Subsidiary; provided, however, that to the extent any Option Right granted hereunder is intended to qualify as an Incentive Stock Option, “Disability” for purposes of such Option Right shall mean a “permanent and total disability” as defined in Section 22(e)(3) of the Code.
- (n) “Effective Date” means October 29, 2019, the date this Plan was initially approved by the Stockholders.
- (o) “Evidence of Award” means an agreement, certificate, resolution or other type or form of writing or other evidence approved by the Committee that sets forth the terms and conditions of the awards granted under this Plan. An Evidence of Award may be in an electronic medium, may be limited to notation on the books and records of the Company and, unless otherwise determined by the Committee, need not be signed by a representative of the Company or a Participant.
- (p) “Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, as such law, rules and regulations may be amended from time to time.
- (q) “Executive Officer” means an executive officer of the Company as defined under the Exchange Act.
- (r) “Incentive Stock Option” means an Option Right that is intended to qualify as an “incentive stock option” under Section 422 of the Code or any successor provision.
- (s) “Management Objectives” means the measurable performance objective or objectives established pursuant to this Plan for Participants who have received grants of Performance Shares, Performance Units or Cash Incentive Awards or, when so determined by the Committee, Option Rights, Appreciation Rights, Restricted Stock,

Restricted Stock Units, dividend equivalents or other awards pursuant to this Plan. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which it conducts its business, or other events or circumstances render the Management Objectives unsuitable or that an adjustment thereto is appropriate, the Committee may in its discretion modify such Management Objectives or the acceptable levels of achievement, in whole or in part, as the Committee deems appropriate and equitable.

- (t) “Market Value per Share” means, as of any particular date, the closing price of a share of Common Stock as reported for that date on the Nasdaq Stock Market or, if the shares of Common Stock are not then listed on the Nasdaq Stock Market, on any other national securities exchange on which the shares of Common Stock are listed, or if there are no sales on such date, on the next preceding trading day during which a sale occurred. If there is no regular public trading market for the shares of Common Stock, then the Market Value per Share shall be the fair market value as determined in good faith by the Committee. The Committee is authorized to adopt another method of determining the fair market value, and the value of a share of Common Stock determined using such method shall be deemed to be the Market Value per Share, provided such method in compliance with the fair market value pricing rules set forth in Section 409A of the Code to the extent applicable.
- (u) “Optionee” means the optionee named in an Evidence of Award evidencing an outstanding Option Right.
- (v) “Option Price” means the purchase price payable on exercise of an Option Right.
- (w) “Option Right” means the right to purchase shares of Common Stock upon exercise of an award granted pursuant to Section 4 of this Plan.
- (x) “Participant” means a person who is selected by the Committee to receive benefits under this Plan and who is at the time (i) a non-employee Director (which, for purposes of this Plan, means a Director who is not, at the relevant time, employed by the Company or one of its Subsidiaries), (ii) an officer or other employee of the Company or any Subsidiary (or an individual engaged to become an officer or other employee), or (iii) an individual consultant or advisor who renders or has rendered bona fide services to the Company or any Subsidiary (other than services in connection with the offering or sale of securities of the Company or a Subsidiary in a capital-raising transaction or as a market maker or promoter of securities of the Company or a Subsidiary); provided, however, that an individual referred to in clause (iii) may participate in this Plan only if such participation would not adversely affect either the Company’s eligibility to use Form S-8 to register the offering and sale of shares issuable under this Plan under the Securities Act of 1933, as amended, or the Company’s compliance with any other applicable laws. Only individuals described in the foregoing clauses (i), (ii) or (iii), in each case as determined by the Committee, are eligible to receive awards under this Plan. No individual shall have any right to be granted an award, even if an award was granted to such individual at any prior time or if a similarly situated individual is or was granted an award under similar circumstances.

- (y) “Performance Period” means, in respect of a Cash Incentive Award, Performance Share or Performance Unit, a period of time established pursuant to Section 8 of this Plan within which the Management Objectives relating to such Cash Incentive Award, Performance Share or Performance Unit are to be achieved.
- (z) “Performance Share” means a bookkeeping entry that records the equivalent of one share of Common Stock awarded pursuant to Section 8 of this Plan.
- (aa) “Performance Unit” means a bookkeeping entry awarded pursuant to Section 8 of this Plan that records a unit equivalent to \$1.00 or such other value as is determined by the Committee.
- (bb) “Plan” means this Synaptics Incorporated 2019 Equity and Incentive Compensation Plan, as amended or amended and restated from time to time.
- (cc) “Predecessor Plans” means the Synaptics Incorporated Amended and Restated 2010 Incentive Compensation Plan and the Synaptics Incorporated Amended and Restated 2001 Incentive Compensation Plan, as amended.
- (dd) “Replacement Award” means an award (i) of the same type (e.g., time-based restricted stock units) as the replaced award, (ii) that has a value at least equal to the value of the replaced award, (iii) that relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control, (iv) if the Participant holding the replaced award is subject to U.S. federal income tax under the Code, the tax treatment of which under the Code is not less favorable to such Participant than the tax consequences of the replaced award, and (v) the other terms and conditions of which are not less favorable to the Participant holding the replaced award than the terms and conditions of the replaced award (including the provisions that would apply in the event of a subsequent Change in Control), in each case after giving effect to any changes to the replaced award in connection with the Change in Control permitted or required under the applicable Evidence of Award. A Replacement Award may be granted only to the extent it does not result in the replaced award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the replaced award if the requirements of the two preceding sentences are satisfied. The determination of whether these conditions are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.
- (ee) “Restricted Stock” means shares of Common Stock granted or sold pursuant to Section 6 of this Plan as to which neither the substantial risk of forfeiture nor the prohibition on transfers has expired.
- (ff) “Restricted Stock Units” means an award made pursuant to Section 7 of this Plan of the right to receive shares of Common Stock, cash or a combination thereof at the end of the applicable Restriction Period.
- (gg) “Restriction Period” means the period of time during which Restricted Stock Units are subject to restrictions, as provided in Section 7 of this Plan.

- (hh) "Spread" means the excess of the Market Value per Share on the date when an Appreciation Right is exercised over the Base Price provided for with respect to the Appreciation Right.
- (ii) "Stockholder" means an individual or entity that owns one or more shares of Common Stock.
- (jj) "Subsidiary" means a corporation, company or other entity (i) more than 50% of whose outstanding shares or securities (representing the right to vote for the election of directors or other managing authority) are, or (ii) which does not have outstanding shares or securities (as may be the case in a partnership, joint venture, limited liability company, unincorporated association or other similar entity), but more than 50% of whose ownership interest representing the right generally to make decisions for such other entity is, now or hereafter, owned or controlled, directly or indirectly, by the Company; provided, however, that for purposes of determining whether any person may be a Participant for purposes of any grant of Incentive Stock Options, "Subsidiary" means any corporation in which the Company at the time owns or controls, directly or indirectly, more than 50% of the total combined Voting Power represented by all classes of stock issued by such corporation.
- (kk) "Ten Percent Stockholder" means an employee of the Company or an affiliate, or an individual engaged to become such an employee, who, as of the date an Incentive Stock Option is granted to such individual, owns more than ten percent (10%) of the total combined voting power of all classes of shares then issued by the Company or a Subsidiary corporation.
- (ll) "Voting Power" means, at any time, the combined voting power of the then-outstanding securities entitled to vote generally in the election of Directors in the case of the Company or members of the board of directors or similar body in the case of another entity.

3. Shares Available Under this Plan.

- (a) Maximum Shares Available Under this Plan.
 - (i) Subject to adjustment as provided in Section 11 of this Plan and the share counting rules set forth in Section 3(b) of this Plan, and except as provided in Section 22 of this Plan, the maximum number of shares of Common Stock available for issuance under this Plan for awards of (A) Option Rights or Appreciation Rights, (B) Restricted Stock, (C) Restricted Stock Units, (D) Performance Shares or Performance Units, (E) awards contemplated by Section 9 of this Plan, or (F) dividend equivalents paid with respect to awards made under this Plan will not exceed in the aggregate 7,588,000 shares of Common Stock. Such shares may be shares of original issuance or treasury shares or a combination of the foregoing.
 - (ii) The aggregate number of shares of Common Stock available under Section 3(a)(i) of this Plan will be reduced by one share of Common Stock for every one share of Common Stock subject to each award granted under this Plan.
- (b) Share Counting Rules.

- (i) Except as provided in Section 22 of this Plan, if any award granted under this Plan is cancelled or forfeited, expires, is settled for cash (in whole or in part), or it is determined during or at the conclusion of the term of an award that all or some portion of the shares of Common Stock with respect to which the award was granted will not be issuable on the basis that the conditions for such issuance will not be satisfied, the shares of Common Stock subject to such award will, to the extent of such cancellation, forfeiture, expiration, cash settlement, or unissuable amount, again be available under Section 3(a)(i) above.
 - (ii) If, after the Effective Date, any shares of Common Stock subject to an award granted under the Predecessor Plans are forfeited, or an award granted under the Predecessor Plans is cancelled or forfeited, expires, is settled for cash (in whole or in part), or is unearned (in whole or in part), the shares of Common Stock subject to such award will, to the extent of such cancellation, forfeiture, expiration, cash settlement, or unearned amount, be available for awards under this Plan.
 - (iii) Notwithstanding anything to the contrary contained in this Plan: (A) shares of Common Stock withheld by the Company, tendered or otherwise used in payment of the Option Price of an Option Right will not be added (or added back, as applicable) to the aggregate number of shares of Common Stock available under Section 3(a)(i) of this Plan; (B) shares of Common Stock withheld by the Company, tendered or otherwise used to satisfy tax withholding with respect to Option Rights or Appreciation Rights granted under this Plan will not be added (or added back, as applicable) to the aggregate number of shares of Common Stock available under Section 3(a)(i) of this Plan; (C) shares of Common Stock subject to an Appreciation Right that are not actually issued in connection with the settlement of such Appreciation Right on the exercise thereof will not be added back to the aggregate number of shares of Common Stock available under Section 3(a)(i) of this Plan; and (D) shares of Common Stock reacquired by the Company on the open market or otherwise using cash proceeds from the exercise of Option Rights will not be added (or added back, as applicable) to the aggregate number of shares of Common Stock available under Section 3(a)(i) of this Plan.
 - (iv) If, under this Plan, a Participant has elected to give up the right to receive compensation in exchange for shares of Common Stock based on fair market value, such shares of Common Stock will not count against the aggregate limit under Section 3(a)(i) of this Plan.
- (c) Limit on Incentive Stock Options. Notwithstanding anything to the contrary contained in this Section 3 or elsewhere in this Plan, and subject to adjustment as provided in Section 11 of this Plan, the aggregate number of shares of Common Stock actually issued or transferred by the Company upon the exercise of Incentive Stock Options will not exceed 7,588,000 shares of Common Stock.
- (d) Minimum Vesting Requirements. Except as set forth below in this Section 3(d), no award granted under this Plan on or after the Effective Date may vest earlier than after a one-year vesting period or a one-year performance period, as applicable. However, up to 5% of the sum of (A) the number of shares available for issuance under the aggregate limit set forth in Section 3(a)(i) of this Plan plus (B) the number of shares that are returned to the aggregate number of shares of Common Stock available under Section 3(a)(i) of this Plan from time to time

pursuant to awards granted under the Predecessor Plans that are outstanding on the Effective Date and are cancelled or forfeited, expire, are settled for cash (in whole or in part), or are unearned (in whole or in part) after the Effective Date, may be issued or delivered after the Effective Date in respect of awards that do not meet such minimum vesting requirements. In addition, nothing in this Section 3(d) shall limit the Company's ability to grant awards that contain rights to accelerated vesting in connection with the award recipient's death or Disability or in connection with a Change in Control (or the Committee's authority to provide for the acceleration of an award, or portion thereof, in any circumstances), and any shares subject to any portion of an award that provides for acceleration, or that accelerates, in connection with the award recipient's death or Disability, or in connection with a Change in Control, or pursuant to the Committee's authority, shall not count against the 5% pool of shares described in the immediately preceding sentence (the "5% Pool"). In addition, the minimum vesting criteria set forth in this Section 3(d) shall not apply to awards granted pursuant to an assumption of or substitution for another stock award (which stock award was granted by another person) in connection with a Change in Control or acquisition by the Company of the other person, and the shares subject to any such award shall not count against the 5% Pool. For purposes of awards granted to non-employee Directors, "one year" may mean the period of time from one annual stockholders meeting to the next annual stockholders meeting, provided that such period of time is not less than fifty (50) weeks.

- (e) Non-Employee Director Compensation Limit. Notwithstanding anything contained in this Section 3, or elsewhere in this Plan, to the contrary and subject to adjustment as provided in Section 11 of this Plan, in no event will any non-employee Director in any calendar year be granted compensation (including, without limitation, cash compensation) for the Director's service as a member of the Board (including Board committees) in such year having an aggregate value (measured at the Date of Grant as applicable, and calculating the value of any awards based on the grant date fair value for financial reporting purposes) in excess of \$750,000. For the avoidance of doubt, in a year in which a non-employee Director serves as an employee or consultant (including as an interim officer), such limit shall not apply to compensation approved to be paid to such non-employee Director by the other non-employee directors in respect of such service as an employee or consultant.

4. **Option Rights.** The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting to Participants of Option Rights. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:

- (a) Each grant will specify the number of shares of Common Stock to which it pertains subject to the limitations set forth in Section 3 of this Plan.
- (b) Each grant will specify an Option Price per share of Common Stock, which Option Price (except with respect to awards under Section 22 of this Plan) may not be less than the Market Value per Share on the Date of Grant (or not less than 110% of the Market Value per Share on the Date of Grant in the case of grants to Ten Percent Stockholders).

- (c) Each grant will specify whether the Option Price will be payable (i) in cash, by check acceptable to the Company or by wire transfer of immediately available funds, (ii) by the actual or constructive transfer to the Company of shares of Common Stock owned by the Optionee having a value at the time of exercise equal to the total Option Price, (iii) subject to any conditions or limitations established by the Committee, by the withholding of shares of Common Stock otherwise issuable upon exercise of an Option Right pursuant to a “net exercise” arrangement (it being understood that, solely for purposes of determining the number of treasury shares held by the Company, the shares of Common Stock so withheld will not be treated as issued and acquired by the Company upon such exercise), (iv) by a combination of such methods of payment, or (v) by such other methods as may be approved by the Committee.
- (d) To the extent permitted by law, any grant may provide for deferred payment of the Option Price from the proceeds of sale through a bank or broker on a date satisfactory to the Company of some or all of the shares of Common Stock to which such exercise relates.
- (e) Successive grants may be made to the same Participant whether or not any Option Rights previously granted to such Participant remain unexercised.
- (f) Each grant will specify the period or periods of continuous service by the Optionee with the Company or any Subsidiary, if any, that is necessary before any Option Rights or installments thereof will become exercisable. Option Rights may provide for continued vesting or the earlier exercise of such Option Rights, including in the event of the retirement, death or Disability of a Participant, subject to the minimum vesting provisions of Section 3(d).
- (g) Any grant of Option Rights may specify Management Objectives that must (except as the Committee may otherwise provide) be achieved as a condition to the exercise of such rights.
- (h) Option Rights granted under this Plan may be (i) options, including Incentive Stock Options, that are intended to qualify under particular provisions of the Code, (ii) options that are not intended to so qualify, or (iii) combinations of the foregoing. Incentive Stock Options may only be granted to Participants who meet the definition of “employees” under Section 3401(c) of the Code.
- (i) No Option Right will be exercisable more than 10 years from the Date of Grant (or 5 years from the Date of Grant in the case of Incentive Stock Options granted to a Ten Percent Stockholder). The Committee may provide in any Evidence of Award for the automatic exercise of an Option Right upon such terms and conditions as established by the Committee.
- (j) Option Rights granted under this Plan may not provide for any dividends or dividend equivalents thereon.
- (k) Each grant of Option Rights will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.

5. Appreciation Rights.

- (a) The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting to any Participant of Appreciation Rights. An Appreciation Right will be the right of the Participant to receive from the Company an amount determined by the Committee, which will be expressed as a percentage of the Spread (not exceeding 100%) at the time of exercise.
- (b) Each grant of Appreciation Rights may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:
 - (i) Each grant may specify that the amount payable on exercise of an Appreciation Right will be paid by the Company in cash, shares of Common Stock or any combination thereof.
 - (ii) Any grant may specify that the amount payable on exercise of an Appreciation Right may not exceed a maximum specified by the Committee on the Date of Grant.
 - (iii) Any grant may specify waiting periods before exercise and permissible exercise dates or periods.
 - (iv) Each grant will specify the period or periods of continuous service by the Participant with the Company or any Subsidiary, if any, that is necessary before the Appreciation Rights or installments thereof will become exercisable. Appreciation Rights may provide for continued vesting or the earlier exercise of such Appreciation Rights, including in the event of the retirement, death or Disability of a Participant, subject to the minimum vesting provisions of Section 3(d).
 - (v) Any grant of Appreciation Rights may specify Management Objectives that must (except as the Committee may otherwise provide) be achieved as a condition of the exercise of such Appreciation Rights.
 - (vi) Appreciation Rights granted under this Plan may not provide for any dividends or dividend equivalents thereon.
 - (vii) Successive grants of Appreciation Rights may be made to the same Participant regardless of whether any Appreciation Rights previously granted to the Participant remain unexercised.
 - (viii) Each grant of Appreciation Rights will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.
- (c) Also, regarding Appreciation Rights:
 - (i) Each grant will specify in respect of each Appreciation Right a Base Price, which (except with respect to awards under Section 22 of this Plan) may not be less than the Market Value per Share on the Date of Grant; and

- (ii) No Appreciation Right granted under this Plan may be exercised more than 10 years from the Date of Grant. The Committee may provide in any Evidence of Award for the automatic exercise of an Appreciation Right upon such terms and conditions as established by the Committee.
6. **Restricted Stock.** The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the grant or sale of Restricted Stock to Participants. Each such grant or sale may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:
- (a) Each such grant or sale will constitute an immediate transfer of the ownership of shares of Common Stock to the Participant in consideration of the performance of services, entitling such Participant to voting, dividend and other ownership rights, but subject to the substantial risk of forfeiture and restrictions on transfer hereinafter described.
 - (b) Each such grant or sale may be made without additional consideration or in consideration of a payment by such Participant that is less than the Market Value per Share on the Date of Grant.
 - (c) Each such grant or sale will provide that the Restricted Stock covered by such grant or sale will be subject to a “substantial risk of forfeiture” within the meaning of Section 83 of the Code for a period to be determined by the Committee on the Date of Grant or until achievement of Management Objectives referred to in Section 6(e) of this Plan (except as the Committee may otherwise provide).
 - (d) Each such grant or sale will provide that during or after the period for which such substantial risk of forfeiture is to continue, the transferability of the Restricted Stock will be prohibited or restricted in the manner and to the extent prescribed by the Committee on the Date of Grant (which restrictions may include rights of repurchase or first refusal of the Company or provisions subjecting the Restricted Stock to a continuing substantial risk of forfeiture while held by any transferee).
 - (e) Any grant of Restricted Stock may specify Management Objectives that, if achieved, will result in termination or early termination of the restrictions applicable to such Restricted Stock.
 - (f) Notwithstanding anything to the contrary contained in this Plan, Restricted Stock may provide for continued vesting or the earlier termination of restrictions on such Restricted Stock, including in the event of the retirement, death or Disability of a Participant, subject to the minimum vesting provisions of Section 3(d).
 - (g) Any such grant or sale of Restricted Stock will require that any and all dividends or other distributions paid thereon during the period of such restrictions be automatically deferred and/or reinvested in additional Restricted Stock, which will be subject to the same restrictions as the underlying award. For the avoidance of doubt, any such dividends or other distributions on Restricted Stock will be deferred until, and paid contingent upon, the vesting of such Restricted Stock.
 - (h) Each grant or sale of Restricted Stock will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve. Unless otherwise directed by the Committee, (i) all certificates representing Restricted Stock will be held

in custody by the Company until all restrictions thereon will have lapsed, together with a stock power or powers executed by the Participant in whose name such certificates are registered, endorsed in blank and covering such shares or (ii) all Restricted Stock will be held at the Company's transfer agent in book entry form with appropriate restrictions relating to the transfer of such Restricted Stock.

7. **Restricted Stock Units.** The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting or sale of Restricted Stock Units to Participants. Each such grant or sale may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:
- (a) Each such grant or sale will constitute the agreement by the Company to deliver shares of Common Stock or cash, or a combination thereof, to the Participant in the future in consideration of the performance of services, but subject to the fulfillment of such conditions (which may include the achievement of Management Objectives) during the Restriction Period as the Committee may specify.
 - (b) Each such grant or sale may be made without additional consideration or in consideration of a payment by such Participant that is less than the Market Value per Share on the Date of Grant.
 - (c) Notwithstanding anything to the contrary contained in this Plan, Restricted Stock Units may provide for continued vesting or the earlier lapse or other modification of the Restriction Period, including in the event of the retirement, death or Disability of a Participant, subject to the minimum vesting provisions of Section 3(d).
 - (d) During the Restriction Period, the Participant will have no right to transfer any rights under his or her award and will have no rights of ownership in the shares of Common Stock deliverable upon payment of the Restricted Stock Units and will have no right to vote them, but the Committee may, at or after the Date of Grant, authorize the crediting of dividend equivalents on such Restricted Stock Units on a deferred and contingent basis and/or the deemed reinvestment of dividend equivalents in additional Restricted Stock Units, payable, either in cash or in additional shares of Common Stock; provided, however, that dividend equivalents or other distributions on shares of Common Stock underlying Restricted Stock Units will be deferred until and paid contingent upon the vesting of such Restricted Stock Units (and will be forfeited to the extent such underlying Restricted Stock Units are forfeited).
 - (e) Each grant or sale of Restricted Stock Units will specify the time and manner of payment of the Restricted Stock Units that have been earned. Each grant or sale will specify that the amount payable with respect thereto will be paid by the Company in shares of Common Stock or cash, or a combination thereof.
 - (f) Each grant or sale of Restricted Stock Units will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.
8. **Cash Incentive Awards, Performance Shares and Performance Units.** The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting of Cash Incentive Awards, Performance

Shares and Performance Units. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:

- (a) Each grant will specify the number or amount of Performance Shares or Performance Units, or amount payable with respect to a Cash Incentive Award, to which it pertains, which number or amount may be subject to adjustment to reflect changes in compensation or other factors.
- (b) The Performance Period with respect to each Cash Incentive Award or grant of Performance Shares or Performance Units will be such period of time as will be determined by the Committee, which may be subject to continued vesting or earlier lapse or other modification, including in the event of the retirement, death or Disability of a Participant, subject to the minimum vesting provisions of Section 3(d).
- (c) Each grant of a Cash Incentive Award, Performance Shares or Performance Units will specify Management Objectives which, if achieved, will result in payment or early payment of the award, and each grant may specify in respect of such specified Management Objectives a minimum acceptable level or levels of achievement and may set forth a formula for determining the number of Performance Shares or Performance Units, or amount payable with respect to a Cash Incentive Award, that will be earned if performance is at or above the minimum or threshold level or levels, or is at or above the target level or levels, but falls short of maximum achievement of the specified Management Objectives.
- (d) Each grant will specify the time and manner of payment of a Cash Incentive Award, Performance Shares or Performance Units that have been earned. Any grant may specify that the amount payable with respect thereto may be paid by the Company in cash, in shares of Common Stock, in Restricted Stock or Restricted Stock Units or in any combination thereof.
- (e) Any grant of a Cash Incentive Award, Performance Shares or Performance Units may specify that the amount payable or the number of shares of Common Stock, Restricted Stock or Restricted Stock Units payable with respect thereto may not exceed a maximum specified by the Committee on the Date of Grant.
- (f) The Committee may, on the Date of Grant of Performance Shares or Performance Units, provide for the crediting of dividend equivalents to the holder thereof either in cash or in additional shares of Common Stock and/or the deemed reinvestment of dividend equivalents in additional Performance Shares or Performance Units, subject in all cases to deferral and payment on a contingent basis based on the Participant's earning of the Performance Shares or Performance Units, as applicable, with respect to which such dividend equivalents are paid (and will be forfeited to the extent the underlying Performance Shares or Performance Units are forfeited).
- (g) Each grant of a Cash Incentive Award, Performance Shares or Performance Units will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.

9. Other Awards.

- (a) Subject to applicable law and the applicable limits set forth in Section 3 of this Plan, the Committee may authorize the grant to any Participant of shares of Common Stock or such other awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of Common Stock or factors that may influence the value of such shares, including, without limitation, convertible or exchangeable debt securities, other rights convertible or exchangeable into shares of Common Stock, purchase rights for shares of Common Stock, awards with value and payment contingent upon performance of the Company or specified Subsidiaries, affiliates or other business units thereof or any other factors designated by the Committee, and awards valued by reference to the book value of the shares of Common Stock or the value of securities of, or the performance of specified Subsidiaries or affiliates or other business units of the Company. The Committee will determine the terms and conditions of such awards. Shares of Common Stock delivered pursuant to an award in the nature of a purchase right granted under this Section 9 will be purchased for such consideration, paid for at such time, by such methods, and in such forms, including, without limitation, shares of Common Stock, other awards, notes or other property, as the Committee determines.
- (b) Cash awards, as an element of or supplement to any other award granted under this Plan, may also be granted pursuant to this Section 9.
- (c) The Committee may authorize the grant of fully vested shares of Common Stock as a bonus, or may authorize the grant of other awards in lieu of obligations of the Company or a Subsidiary to pay cash or deliver other property under this Plan or under other plans or compensatory arrangements, subject to such terms as will be determined by the Committee in a manner that complies with Section 409A of the Code and subject to the minimum vesting provisions of Section 3(d).
- (d) The Committee may, at or after the Date of Grant, authorize the crediting of dividends or dividend equivalents on awards granted under this Section 9 on a deferred and contingent basis and/or the deemed reinvestment of dividend equivalents in additional awards, payable, either in cash or in additional shares of Common Stock; provided, however, that dividend equivalents or other distributions on shares of Common Stock underlying awards granted under this Section 9 will be deferred until and paid contingent upon the earning of such awards (and will be forfeited to the extent the applicable requirements for payment of the underlying awards are not satisfied).
- (e) Notwithstanding anything to the contrary contained in this Plan, awards under this Section 9 may provide for the earning or vesting of, or earlier elimination of restrictions applicable to, such award, including in the event of the retirement, death or Disability of a Participant, subject to the minimum vesting provisions of Section 3(d).

10. Administration of this Plan.

- (a) This Plan will be administered by the Committee. Subject to the express share limits and provisions of this Plan (including the minimum vesting provisions of Section 3(d)), the Committee is authorized to do all things necessary or desirable in connection with the authorization of awards and the administration of this Plan, including, without

limitation (but subject to the express share limits and provisions of this Plan), the authority to (i) determine the persons eligible to receive awards under this Plan; (ii) grant awards to such persons, determine the price (if any) at which securities will be offered or awarded and the number of securities to be offered or awarded to any of such persons (in the case of securities-based awards), determine the other specific terms and conditions of awards (including any vesting or exercisability requirements as to such awards or that no delayed exercisability or vesting is required), establish the events (if any) on which vesting or exercisability may accelerate (which may include, without limitation, specified terminations of employment or services or other circumstances), and establish the events (if any) of termination, expiration or reversion of such awards; (iii) construe and interpret this Plan and any agreements defining the rights and obligations of the Company, its Subsidiaries, and participants under this Plan, make any and all determinations under this Plan and any such agreements, correct any defect, supply any omission, or reconcile any inconsistency in this Plan and any agreements, and prescribe, amend and rescind rules and regulations relating to the administration of this Plan or the awards granted under this Plan; (iv) cancel, modify, or waive the Corporation's rights with respect to, or modify, discontinue, suspend, or terminate any or all outstanding awards, subject to any required consent under Section 18(d); or (v) accelerate, waive or extend the vesting or exercisability, or modify or extend the term of, any or all such outstanding awards in such circumstances as the Committee may determine to be appropriate. The Committee may from time to time delegate all or any part of its authority under this Plan to a subcommittee thereof. To the extent of any such delegation, references in this Plan to the Committee will be deemed to be references to such subcommittee to the extent of such delegated authority. The Board may also assume administration of this Plan or certain portions of this Plan, in which case references in this Plan to the Committee will be deemed to be referenced to the Board to the extent the Board has assumed administration of such aspect of this Plan.

- (b) The interpretation and construction by the Committee of any provision of this Plan or of any Evidence of Award (or related documents) and any determination by the Committee pursuant to any provision of this Plan or of any such agreement, notification or document will be final and binding on all persons. No member of the Committee, the Board or any subcommittee shall be liable for any such action or determination made in good faith. In addition, the Committee is authorized to take any action it determines in its sole discretion to be appropriate subject only to the express limitations contained in this Plan, and no authorization in any Plan section or other provision of this Plan is intended or may be deemed to constitute a limitation on the authority of the Committee.
- (c) To the extent permitted by law, the Committee may delegate to one or more of its members, to one or more officers of the Company, or to one or more agents or advisors, such administrative duties or powers as it may deem advisable, and the Committee, the subcommittee, or any person to whom duties or powers have been delegated as aforesaid, may employ one or more persons to render advice with respect to any responsibility the Committee, the subcommittee or such person may have under this Plan. No individual to whom such delegation has been made shall be liable for any action or determination made in good faith pursuant to such delegation. The Committee may, by resolution, authorize one or more officers of the Company to do one or both of the following

on the same basis as the Committee: (i) designate employees to be recipients of awards under this Plan; and (ii) determine the size of any such awards; provided, however, that (A) the Committee will not delegate such responsibilities to any such officer for awards granted to an employee who is an officer, Director, Ten Percent Stockholder, as determined by the Committee in accordance with Section 16 of the Exchange Act; (B) the resolution providing for such authorization shall set forth the total number of shares of Common Stock such officer(s) may grant; and (C) the officer(s) will report periodically to the Committee regarding the nature and scope of the awards granted pursuant to the authority delegated.

11. **Adjustments.** The Committee shall make or provide for such adjustments in the number of and kind of shares of Common Stock covered by outstanding Option Rights, Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares and Performance Units granted hereunder and, if applicable, in the number of and kind of shares of Common Stock covered by other awards granted pursuant to Section 9 of this Plan, in the Option Price and Base Price provided in outstanding Option Rights and Appreciation Rights, respectively, in Cash Incentive Awards, and in other award terms, as the Committee, in its sole discretion, exercised in good faith, determines are equitably required to prevent dilution or enlargement of the rights of Participants that otherwise would result from (a) any extraordinary cash dividend, stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, (b) any merger, consolidation, spin-off, split-off, spin-out, split-up, reorganization, partial or complete liquidation or other distribution of assets, issuance of rights or warrants to purchase securities, or (c) any other corporate transaction or event having an effect similar to any of the foregoing. Moreover, in the event of any such transaction or event or in the event of a Change in Control, the Committee may provide in substitution for any or all outstanding awards under this Plan such alternative consideration (including cash), if any, as it, in good faith, may determine to be equitable in the circumstances and shall require in connection therewith the surrender of all awards so replaced in a manner that complies with Section 409A of the Code. In addition, for each Option Right or Appreciation Right with an Option Price or Base Price, respectively, greater than the consideration offered in connection with any such transaction or event or Change in Control, the Committee may in its discretion elect to cancel such Option Right or Appreciation Right without any payment to the person holding such Option Right or Appreciation Right. The Committee shall also make or provide for such adjustments in the number of shares of Common Stock specified in Section 3 of this Plan as the Committee in its sole discretion, exercised in good faith, determines is appropriate to reflect any transaction or event described in this Section 11; provided, however, that any such adjustment to the number specified in Section 3(c) of this Plan will be made only if and to the extent that such adjustment would not cause any Option Right intended to qualify as an Incentive Stock Option to fail to so qualify. With respect to awards of Incentive Stock Options, no adjustment may be authorized to the extent that such authority would cause this Plan to violate Code Section 422(b). In any event, previously granted Option Rights or Appreciation Rights shall be subject only to such adjustments as are necessary to maintain the relative proportionate interest the Option Rights and Appreciation Rights represented immediately prior to any such event and to preserve, without exceeding, the value of such Option Rights or Appreciation Rights.

12. **Definition and Effect of a Change in Control.**

- (a) For purposes of this Plan, except as may be otherwise prescribed by the Committee in an Evidence of Award made under this Plan, a “Change in Control” will be deemed to have occurred upon the occurrence (after the Effective Date) of any of the following events:
- (i) a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act, or if Item 6(e) is no longer in effect, any regulations issued by the Securities and Exchange Commission pursuant to the Exchange Act which serve similar purposes;
 - (ii) the following individuals no longer constitute a majority of the members of the Board: (1) the individuals who, as of the Effective Date, constitute the Board (the “Current Directors”); (2) the individuals who thereafter are elected to the Board and whose election, or nomination for election, to the Board was approved by a vote of a majority of all of the Current Directors then still in office (such directors becoming “Additional Directors” immediately following their election); and (3) the individuals who are elected to the Board and whose election, or nomination for election, to the Board was approved by a vote of a majority of all of the Current Directors and Additional Directors then still in office (such directors also becoming “Additional Directors” immediately following their election);
 - (iii) a tender offer or exchange offer is made whereby the effect of such offer is to take over and control the Company, and such offer is consummated for the equity securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding voting securities;
 - (iv) the consummation of a transaction approved by the Stockholders of a merger, consolidation, recapitalization, or reorganization of the Company, a reverse stock split of outstanding voting securities, or consummation of any such transaction if Stockholder approval is not obtained, other than any such transaction that would result in more than 50% of the total voting power represented by the voting securities of the surviving entity outstanding immediately after such transaction being beneficially owned by the holders of outstanding voting securities of the Company immediately prior to the transaction, with the voting power of each such continuing holder relative to other such continuing holders not substantially altered in the transaction;
 - (v) the consummation of a transaction approved by the Stockholders of a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or a substantial portion of the Company’s assets to another person, which is not a wholly owned subsidiary of the Company (i.e., 50% or more of the total assets of the Company); or
 - (vi) any “person” (as that term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly of more than 50% of the total voting power represented by the Company’s then outstanding voting securities.

- (b) Unless otherwise provided in an Evidence of Award or another written agreement between a Participant and the Company and notwithstanding the Plan's minimum vesting requirements, if a Change in Control occurs, then:
- (i) Option Rights and Appreciation Rights issued that are not yet fully vested and exercisable as of the time of the Change in Control shall immediately become vested and exercisable in full, except to the extent that a Replacement Award is provided to the Participant in accordance with the terms described herein;
 - (ii) Any restrictions, deferral of settlement and forfeiture conditions applicable to Restricted Stock, Restricted Stock Units, or other awards granted under Section 9 that vest solely based on continued service (and not based on the achievement of Management Objectives) shall lapse and such awards shall be deemed fully vested as of immediately prior to the Change in Control, except to the extent that a Replacement Award is provided to the Participant in accordance with the terms described herein;
 - (iii) With respect to Cash Incentive Awards, Performance Shares, Performance Units, and other awards granted under the Plan that are subject to the achievement of Management Objectives (other than the awards described in Section 12(b)(iv) below), the Management Objectives applicable thereto shall be deemed satisfied at target and the applicable performance period shall be deemed completed as of immediately prior to the Change in Control. Such awards will be replaced with a Replacement Award that will vest thereafter pursuant to the service-based vesting schedule set forth in the applicable Evidence of Award unless the successor or acquiring entity in the Change in Control does not provide a Replacement Award. If such Replacement Award is not provided, then any remaining restrictions, deferral of settlement and forfeiture conditions applicable to such award shall lapse and such award shall be deemed fully vested as of immediately prior to the Change in Control; and
 - (iv) With respect to Restricted Stock Units granted with Management Objectives that the Company describes as "Market Stock Units," a prorated portion of such Market Stock Units shall vest based on actual performance of the Management Objectives through the date of the Change in Control. The remainder of the Market Stock Units (that did not vest in accordance with the immediately preceding sentence) will vest in accordance with their regular vesting schedule as set forth in the Evidence of Award unless the successor or acquiring entity in the Change in Control does not provide a Replacement Award for such remaining Market Stock Units. If such Replacement Award is not provided, then any remaining restrictions, deferral of settlement and forfeiture conditions applicable to such Market Stock Units shall lapse and such Market Stock Units shall be deemed fully vested as of immediately prior to the Change in Control.
- (c) Except as otherwise expressly provided in any agreement between a Participant and the Company or an affiliate, in the event that the Company's auditors determine that any payment or transfer by the Company under this Plan to or for the benefit of a Participant (a "Payment") would be nondeductible by the Company for federal income tax purposes because of the provisions concerning "excess parachute payments" in Code Section 280G, then, except to the extent otherwise determined by the Committee, the aggregate present value of all Payments to such

Participant shall be reduced (but not below zero) to the amount, expressed as a present value, that maximizes the aggregate present value of the Payments without causing any Payment to be nondeductible by the Company because of Code Section 280G (the “Reduced Amount”); provided that the foregoing reduction in the Payments shall not apply if the after-tax value to the Participant of the Payments prior to reduction in accordance herewith is greater than the after-tax value to the Participant if the Payments are reduced in accordance herewith. All determinations under and relating to this Section 12(c) shall be made by the Committee in its sole and absolute discretion.

13. **Clawback/Recovery.** All awards (cash and equity) granted under this Plan and held by the Company’s Executive Officers shall be subject to clawback, recoupment or forfeiture (a) to the extent that such Executive Officer is determined to have engaged in fraud or intentional illegal conduct that caused the Company’s material non-compliance with any applicable financial reporting requirements and resulted in a financial restatement, the result of which is that the amount received from such award would have been lower had it been calculated on the basis of such restated results, or (b) required by applicable laws, rules, regulations or listing requirements. Such clawback, recoupment or forfeiture, in addition to any other remedies available under applicable laws, rules, regulations or listing requirements, shall occur through the cancellation of such awards (to the extent then-outstanding), the recoupment of any amounts realized with respect to such awards, or a combination of the foregoing, to the extent of the overpayment.

All awards granted under the Plan will also be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company’s securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. The implementation of any clawback policy will not be deemed a triggering event for purposes of any definition of “good reason” for resignation or any “constructive termination” that may be applicable to an award granted under this Plan.

14. **Non-U.S. Participants.** In order to facilitate the making of any grant or combination of grants under this Plan, the Committee may provide for such special terms for awards to Participants who are foreign nationals or who are employed by the Company or any Subsidiary outside of the United States of America or who provide services to the Company or any Subsidiary under an agreement with a foreign nation or agency, as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Committee may approve such supplements to or amendments, restatements or alternative versions of this Plan (including sub-plans) as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of this Plan as in effect for any other purpose, and the secretary or other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as this Plan. No such special terms, supplements, amendments or restatements, however, will include any provisions that are inconsistent with the terms of this Plan as then in effect unless this Plan could have been amended to eliminate such inconsistency without further approval by the Stockholders.

15. **Transferability.**

- (a) Except as otherwise determined by the Committee, no Option Right, Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Share, Performance Unit, Cash Incentive Award, award contemplated by Section 9 of this Plan or dividend equivalents paid with respect to awards made under this Plan will be transferable by the Participant except by will or the laws of descent and distribution, nor will any such award be subject in any manner to anticipation, alienation, sale, assignment, pledge, encumbrance, attachment or garnishment. In no event will any such award granted under this Plan be transferred for value. Except as otherwise determined by the Committee, Option Rights and Appreciation Rights will be exercisable during the Participant's lifetime only by him or her or, in the event of the Participant's legal incapacity to do so, by his or her guardian or legal representative acting on behalf of the Participant in a fiduciary capacity under state law or court supervision.
 - (b) The Committee may specify on the Date of Grant that part or all of the shares of Common Stock that are (i) to be issued or transferred by the Company upon the exercise of Option Rights or Appreciation Rights, upon the termination of the Restriction Period applicable to Restricted Stock Units or upon payment under any grant of Performance Shares or Performance Units or (ii) no longer subject to the substantial risk of forfeiture and restrictions on transfer referred to in Section 6 of this Plan, will be subject to further restrictions on transfer.
16. **Withholding Taxes; No Guarantee of Tax Treatment.** To the extent that the Company is required to withhold federal, state, local or foreign taxes in connection with any payment made or benefit realized by a Participant or other person under this Plan, it will be a condition to the receipt of such payment or the realization of such benefit that the Participant or such other person make arrangements satisfactory to the Company for payment of the balance of such taxes required to be withheld, which arrangements (in the discretion of the Committee) may include relinquishment of a portion of such benefit. If a Participant's benefit is to be received in the form of Common Stock, then, unless otherwise determined by the Committee, the Company will withhold from the shares required to be delivered to the Participant, shares of Common Stock having a value equal to the amount required to be withheld under applicable income and employment tax laws. The shares so withheld by the Company for tax withholding will be valued at an amount equal to the Market Value per Share of such shares of Common Stock on the date the benefit is to be included in the Participant's income. In no event will the value of the shares of Common Stock to be withheld and delivered pursuant to this Section to satisfy applicable withholding obligations exceed the maximum statutory amount required to be withheld, unless (i) an additional amount can be withheld and not result in adverse accounting consequences, (ii) such additional withholding amount is authorized by the Committee, and (iii) the total amount withheld does not exceed the Participant's estimated tax obligations attributable to the applicable transaction. Participants will also make such arrangements as the Committee may require for the payment of any withholding obligation that may arise in connection with the disposition of shares of Common Stock acquired upon the exercise of Option Rights. Notwithstanding any provisions of this Plan, the Company does not guarantee to any Participant or any other person with an interest in an award that (x) any award intended to be exempt from Code Section 409A shall be so exempt, (y) any award intended to comply with Code Section 409A or Code Section 422 shall so comply, or (z) any award shall otherwise receive a specific tax treatment under any other applicable

tax law, nor in any such case will the Company or any affiliate indemnify, defend or hold harmless any individual with respect to the tax consequences of any award.

17. Compliance with Section 409A of the Code.

- (a) To the extent applicable, it is intended that this Plan and any grants made hereunder comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Participants. The provisions of this Plan and any grants made hereunder will be construed and interpreted in a manner consistent with this intent. Any reference in this Plan to Section 409A of the Code will also include any regulations or any other formal guidance promulgated with respect to such section by the U.S. Department of the Treasury or the Internal Revenue Service.
- (b) Neither a Participant nor any of a Participant's creditors or beneficiaries will have the right to subject any deferred compensation (within the meaning of Section 409A of the Code) payable under this Plan and grants hereunder to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A of the Code, any deferred compensation (within the meaning of Section 409A of the Code) payable to a Participant or for a Participant's benefit under this Plan and grants hereunder may not be reduced by, or offset against, any amount owed by a Participant to the Company or any of its Subsidiaries.
- (c) If, at the time of a Participant's separation from service (within the meaning of Section 409A of the Code), (i) the Participant will be a specified employee (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (ii) the Company makes a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company will not pay such amount on the otherwise scheduled payment date but will instead pay it, without interest, on the fifth business day of the seventh month after such separation from service.
- (d) Solely with respect to any award that constitutes nonqualified deferred compensation subject to Section 409A of the Code and that is payable on account of a Change in Control (including any installments or stream of payments that are accelerated on account of a Change in Control), a Change in Control shall occur only if such event also constitutes a "change in the ownership," "change in effective control," and/or a "change in the ownership of a substantial portion of assets" of the Company as those terms are defined under Treasury Regulation §1.409A-3(i)(5), but only to the extent necessary to establish a time and form of payment that complies with Section 409A of the Code, without altering the definition of Change in Control for any purpose in respect of such award.
- (e) Notwithstanding any provision of this Plan and grants hereunder to the contrary, in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Company reserves the right to make amendments to this Plan and grants hereunder as the Company deems necessary or desirable to avoid the

imposition of taxes or penalties under Section 409A of the Code. In any case, a Participant will be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on a Participant or for a Participant's account in connection with this Plan and grants hereunder (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any of its affiliates will have any obligation to indemnify or otherwise hold a Participant harmless from any or all of such taxes or penalties.

18. Amendments.

- (a) The Board may at any time and from time to time amend this Plan in whole or in part; provided, however, that to the extent then required by applicable law or deemed necessary or advisable by the Board, any amendment to this Plan shall be subject to Stockholder approval.
- (b) Except for adjustments in connection with a corporate transaction or event described in Section 11 of this Plan or in connection with a Change in Control as provided herein, the terms of outstanding awards may not be amended to reduce the Option Price of outstanding Option Rights or the Base Price of outstanding Appreciation Rights, or cancel outstanding "underwater" Option Rights or Appreciation Rights in exchange for cash, other awards or Option Rights or Appreciation Rights with an Option Price or Base Price, as applicable, that is less than the Option Price of the original Option Rights or Base Price of the original Appreciation Rights, as applicable, without Stockholder approval. This Section 18(b) is intended to prohibit the repricing of "underwater" Option Rights and Appreciation Rights and will not be construed to prohibit the adjustments provided for in Section 11 of this Plan. Notwithstanding any provision of this Plan to the contrary, this Section 18(b) may not be amended without approval by the Stockholders.
- (c) If permitted by Section 409A of the Code, but subject to the paragraph that follows, including (without limitation) in the case of termination of employment or service, or in the case of unforeseeable emergency or other circumstances or in the event of a Change in Control, to the extent a Participant holds an Option Right or Appreciation Right not immediately exercisable in full, or any Restricted Stock as to which the substantial risk of forfeiture or the prohibition or restriction on transfer has not lapsed, or any Restricted Stock Units as to which the Restriction Period has not been completed, or any Cash Incentive Awards, Performance Shares or Performance Units which have not been fully earned, or any dividends or dividend equivalents or other awards made pursuant to Section 9 of this Plan subject to any vesting schedule or transfer restriction, or who holds shares of Common Stock subject to any transfer restriction imposed pursuant to Section 15(b) of this Plan, the Committee may, in its sole discretion but subject to the minimum vesting provisions of Section 3(d), provide for continued vesting or accelerate the time at which such Option Right, Appreciation Right or other award may be exercised or the time at which such substantial risk of forfeiture or prohibition or restriction on transfer will lapse or the time when such Restriction Period will end or the time at which such Cash Incentive Awards, Performance Shares or Performance Units will be deemed to have been fully earned or the time when such transfer restriction will terminate or may waive any other limitation or requirement under any such award.

- (d) Subject to Section 18(b) of this Plan, the Committee may amend the terms of any award theretofore granted under this Plan prospectively or retroactively. Except for adjustments made pursuant to Section 11 of this Plan, no such amendment will materially impair the rights of any Participant without his or her consent; ; provided that Participant consent shall not be required for an amendment: (x) to the extent the Committee deems such amendment necessary to comply with any applicable law or the listing requirements of any principal securities exchange or market on which the shares are then traded; (y) to the extent the Committee deems such amendment necessary to preserve favorable accounting or tax treatment of any award for the Company; or (z) to the extent the Committee determines that such amendment does not materially and adversely affect the value of an award or that such action is in the best interest of the affected Participant or any other person(s) as may then have an interest in the award. The Board may, in its discretion, terminate this Plan at any time. Termination of this Plan will not affect the rights of Participants or their successors under any awards outstanding hereunder and not exercised in full on the date of termination.
19. **Governing Law.** This Plan and all grants and awards and actions taken hereunder will be governed by and construed in accordance with the internal substantive laws of the State of Delaware.
20. **Effective Date/Termination.** This Plan will be effective as of the Effective Date. No grants will be made on or after the Effective Date under the Predecessor Plans, provided that outstanding awards granted under the Predecessor Plans will continue unaffected following the Effective Date. No grant will be made under this Plan on or after the tenth anniversary of the earlier of (i) the date this Plan was most recently adopted by the Board and (ii) the date on which the Company's stockholders have most recently approved this Plan, but all grants made prior to such tenth anniversary date will continue in effect thereafter subject to the terms thereof and of this Plan. For clarification purposes, the terms and conditions of this Plan shall not apply to or otherwise impact previously granted and outstanding awards under the Predecessor Plans, as applicable.
21. **Miscellaneous Provisions.**
- (a) The Company will not be required to issue any fractional shares of Common Stock pursuant to this Plan. The Committee may provide for the elimination of fractions without consideration or for the settlement of fractions in cash.
- (b) This Plan will not confer upon any Participant any right with respect to continuance of employment or other service with the Company or any Subsidiary, nor will it interfere in any way with any right the Company or any Subsidiary would otherwise have to terminate such Participant's employment or other service at any time.
- (c) The Committee shall establish the effect (if any) of a termination of employment or service on the rights and benefits under each award under this Plan and in so doing may make distinctions based upon the cause of termination and type of award. If the Participant is not an employee of the Company or one of its Subsidiaries, is not a member of the Board, and provides other services to the Company or one of its Subsidiaries, the Committee shall be the sole judge for purposes of this Plan and awards hereunder of whether the Participant continues to render services to the Company or one of its Subsidiaries and the date, if any, upon which such services shall be deemed to have terminated. For purposes of this Plan and any award hereunder, if an entity ceases to be a Subsidiary of the Company, a termination of employment or service shall be deemed to have occurred with respect to each Participant who is employed by or provides services to such entity and who does not satisfy the

requirements for eligibility to receive awards under this Plan (as set forth in the definition of “Participant” in Section 2 of this Plan) after giving effect to the transaction or other event giving rise to the change in status (unless the Subsidiary that is sold, spun-off or otherwise divested (or its successor or a direct or indirect parent of such Subsidiary or successor) assumes the Participant’s award(s) in connection with such transaction).

- (d) The Company shall not be obligated to issue shares, and no award under this Plan may be exercised by the holder thereof if such issuance or exercise, and the receipt of cash or stock thereunder, would be, in the opinion of counsel selected by the Company, contrary to law or the regulations of any duly constituted authority having jurisdiction over this Plan.
- (e) Unless the express policy of the Company or one of its Subsidiaries (as applicable), or the Committee, otherwise provides, or except as otherwise required by applicable law, the employment relationship shall not be considered terminated in the case of: (i) sick leave, (ii) military leave, or (iii) any other leave of absence authorized by the Company or one of its Subsidiaries, or the Committee; provided that, unless reemployment upon the expiration of such leave is guaranteed by contract or law or the Committee otherwise provides, such leave is for a period of not more than three months. In the case of any employee of the Company or one of its Subsidiaries on an approved leave of absence, continued vesting of the award while on leave from the employ of the Company or one of its Subsidiaries may be suspended until the employee returns to service, unless the Committee otherwise provides or applicable law otherwise requires. In no event shall an award be exercised after the expiration of any applicable maximum term of the award.
- (f) No Participant will have any rights as a Stockholder with respect to any shares of Common Stock subject to awards granted to him or her under this Plan prior to the date as of which he or she is actually recorded as the holder of such shares of Common Stock upon the stock records of the Company.
- (g) Except with respect to Option Rights and Appreciation Rights, the Committee may permit Participants to elect to defer the issuance of shares of Common Stock under this Plan pursuant to such rules, procedures or programs as it may establish for purposes of this Plan and which are intended to comply with the requirements of Section 409A of the Code. The Committee also may provide that deferred issuances and settlements include the crediting of dividend equivalents or interest on the deferral amounts.
- (h) If any provision of this Plan is or becomes invalid or unenforceable in any jurisdiction, or would disqualify this Plan or any award under any law deemed applicable by the Committee, such provision will be construed or deemed amended or limited in scope to conform to applicable laws or, in the discretion of the Committee, it will be stricken and the remainder of this Plan will remain in full force and effect. Notwithstanding anything in this Plan or an Evidence of Award to the contrary, nothing in this Plan or in an Evidence of Award prevents a Participant from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and for purpose of clarity a Participant is not

prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Exchange Act.

- (i) Awards payable under this Plan shall be payable in shares or from the general assets of the Company, and no special or separate reserve, fund or deposit shall be made to assure payment of such awards. No Participant or other person shall have any right, title or interest in any fund or in any specific asset of the Company or any Subsidiary by reason of any award hereunder. Neither the provisions of this Plan (or of any related documents), nor the creation or adoption of this Plan, nor any action taken pursuant to the provisions of this Plan shall create, or be construed to create, a trust of any kind or a fiduciary relationship between the Company or any Subsidiary and any Participant or other person. To the extent that a Participant or other person acquires a right to receive payment pursuant to any award hereunder, such right shall be no greater than the right of any unsecured general creditor of the Company.
- (j) The existence of this Plan, the Evidences of Award and the awards granted hereunder shall not limit, affect, or restrict in any way the right or power of the Company or any Subsidiary (or any of their respective stockholders, boards of directors or committees thereof (or any subcommittees), as the case may be) to make or authorize: (a) any adjustment, recapitalization, reorganization or other change in the capital structure or business of the Company or any Subsidiary, (b) any merger, amalgamation, consolidation or change in the ownership of the Company or any Subsidiary, (c) any issue of bonds, debentures, capital, preferred or prior preference stock ahead of or affecting the capital stock (or the rights thereof) of the Company or any Subsidiary, (d) any dissolution or liquidation of the Company or any Subsidiary, (e) any sale or transfer of all or any part of the assets or business of the Company or any Subsidiary, (f) any other award, grant, or payment of incentives or other compensation under any other plan or authority (or any other action with respect to any benefit, incentive or compensation), or (g) any other corporate act or proceeding by the Company or any Subsidiary. No Participant or other person shall have any claim under any award or award agreement against any member of the Board or the Committee, or the Company or any employees, officers or agents of the Company or any Subsidiary, as a result of any such action. Awards need not be structured so as to be deductible for tax purposes.
- (k) If a Participant shall dispose of shares acquired through exercise of an Incentive Stock Option within either (i) two (2) years after the date the Incentive Stock Option is granted or (ii) one (1) year after the date the Incentive Stock Option is exercised (i.e., in a disqualifying disposition), such Participant shall notify the Company within seven (7) days of the date of such disqualifying disposition. In addition, if a Participant elects, under Code Section 83, to be taxed at the time an award of Restricted Stock (or other property subject to such Code section) is made, rather than at the time the award vests, such Participant shall notify the Company within seven (7) days of the date the Participant makes such an election.

22. Stock-Based Awards in Substitution for Awards Granted by Another Company. Notwithstanding anything in this Plan to the contrary:

- (a) Awards may be granted under this Plan in substitution for or in conversion of, or in connection with an assumption of, stock options, stock appreciation rights, restricted stock, restricted stock units or other stock or stock-based awards held by awardees of an entity engaging in a corporate acquisition or merger transaction with the Company or any Subsidiary. Any conversion, substitution or assumption will be effective as of the close of the merger or acquisition, and, to the extent applicable, will be conducted in a manner that complies with Section 409A of the Code. The awards so granted may reflect the original terms of the awards being assumed or substituted or converted for and need not comply with other specific terms of this Plan, and may account for shares of Common Stock substituted for the securities covered by the original awards and the number of shares subject to the original awards, as well as any exercise or purchase prices applicable to the original awards, adjusted to account for differences in stock prices in connection with the transaction.
- (b) In the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary merges has shares available under a pre-existing plan previously approved by stockholders and not adopted in contemplation of such acquisition or merger, the shares available for grant pursuant to the terms of such plan (as adjusted, to the extent appropriate, to reflect such acquisition or merger) may be used for awards made after such acquisition or merger under this Plan; provided, however, that awards using such available shares may not be made after the date awards or grants could have been made under the terms of the pre-existing plan absent the acquisition or merger, and may only be made to individuals who were not employees or directors of the Company or any Subsidiary prior to such acquisition or merger.
- (c) Any shares of Common Stock that are issued or transferred by, or that are subject to any awards that are granted by, or become obligations of, the Company under Sections 22(a) or 22(b) of this Plan will not reduce the shares of Common Stock available for issuance or transfer under this Plan or otherwise count against the limits contained in Section 3 of this Plan. In addition, no shares of Common Stock subject to an award that is granted by, or becomes an obligation of, the Company under Sections 22(a) or 22(b) of this Plan will be added to the aggregate limit contained in Section 3(a)(i) of this Plan.

SYNAPTICS INCORPORATED
NON-EMPLOYEE DIRECTOR RESTRICTED STOCK UNIT AWARD AGREEMENT

Date of Grant: %%OPTION_DATE,'Month DD, YYYY'%%-%%
Grantee: %%FIRST_NAME_MIDDLE_NAME_LAST_NAME%%-%%
RSUs Granted: %%TOTAL_SHARES_GRANTED,'999,999,999'%%-%%
Grant Number: %%OPTION_NUMBER%%-%%

This Non-Employee Director Restricted Stock Unit Award Agreement (this “**Agreement**”) is made as of the **Date of Grant** referenced above, by and between Synaptics Incorporated., a Delaware corporation (the “**Company**”), and the **Grantee** referenced above.

1. **Certain Definitions.** Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the Synaptics Incorporated Amended and Restated 2019 Equity and Incentive Compensation Plan (the “**Plan**”).
2. **Grant of RSUs.** Subject to and upon the terms, conditions and restrictions set forth in this Agreement, including any additional terms and conditions set forth in the Plan, pursuant to authorization under resolutions of the Committee or the Board, the Company has granted to the Grantee as of the “**Date of Grant**” referenced above Restricted Stock Units (“**RSUs**”). Each RSU shall represent the right of the Grantee to receive one share of Common Stock subject to and upon the terms and conditions of this Agreement and the Plan, as applicable.
3. **Restrictions on Transfer of RSUs.** Subject to Section 15 of the Plan, neither the RSUs evidenced hereby nor any interest therein or in the Common Stock underlying such RSUs shall be transferable prior to payment to the Grantee pursuant to **Section 5** hereof other than by will or pursuant to the laws of descent and distribution.
4. **Vesting of RSUs.**
 - (a) **Regular Vesting.** Except as otherwise provided in, and subject to the terms and conditions of, this Agreement and the Plan, as applicable, the RSUs covered by this Agreement shall be subject to service based vesting conditions outlined below. The RSUs shall vest in equal quarterly installments of twenty-five percent (25%) of the total number of RSUs covered by this Agreement over a one year period, commencing on the first quarterly vesting date following the Date of Grant until fully vested on the earlier of the first anniversary of the Grant Date or the date of the Company’s next annual meeting of stockholders following the Grant Date, subject to the Grantee’s continued service as a member of the Board through each such date:
 - (a)
 - (b) **Vesting Upon Specific Events.** Notwithstanding **Section 4(a)** above, if at any time before a Vesting Date (as defined below) or forfeiture of the RSUs, and while the Grantee is continuously providing services as a member of the Board, a Change in Control occurs, then RSUs will be subject to Section 12 of the Plan such that the Change in Control will constitute a Vesting Date for the RSUs and they will become nonforfeitable and payable to the Grantee in accordance with **Section 5** hereof, except to the extent that a “**Replacement Award**” (as defined in the Plan) is provided to the Grantee to continue, replace or assume the RSUs covered by this Agreement.
 - (c)
 - (d) **Service Condition.** Except as otherwise provided in the Plan or elsewhere in this **Section 4**, the RSUs covered by this Agreement shall become nonforfeitable and payable to the Grantee pursuant to **Section 5** hereof per the applicable schedule in **Subsections (4)(a) and (b)** above if the Grantee remains in the continuous engagement as a member of the Board until each such date or event (the date on which such RSU (or portion thereof) becomes nonforfeitable, the “**Vesting Date**”). Except as otherwise provided in the Plan or elsewhere in this **Section 4**, and except as otherwise determined by the Committee or the Board in its sole discretion, any RSUs (or portions thereof) that do not so become nonforfeitable will be forfeited, including if the Grantee ceases to continuously serve as a member of the Board prior to the Vesting Date applicable to such portion of the RSUs. For purposes of this Agreement, “continuously

serve” (or substantially similar terms) means the absence of any interruption or termination of the Grantee’s service as a member of the Board.

5. **Form and Time of Payment of RSUs.**

- (a) Payment for the RSUs, after and to the extent they have become nonforfeitable as of the Vesting Date, shall be made in the form of Common Stock. Except as provided in **Section 5(b)**, payment shall be made as soon as administratively practicable following (but no later than thirty (30) days following) the Vesting Date applicable to such portion of the RSUs.
- (b) Notwithstanding **Section 5(a)**, to the extent that the RSUs become vested on the date of a Change in Control in accordance with Section 12 of the Plan, Grantee will receive payment for vested RSUs in shares of Common Stock on the date of the Change in Control; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, the Grantee is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to **Section 5(a)**.
- (c) Except to the extent provided by Section 409A of the Code and permitted by the Committee, no shares of Common Stock may be issued to the Grantee at a time earlier than otherwise expressly provided in this Agreement.
- (d) The Company’s obligations to the Grantee with respect to the RSUs that become vested in accordance with **Section 4** will be satisfied in full upon the issuance of Common Stock corresponding to such RSUs.

6. **Dividend Equivalents; Voting and Other Rights.**

- (a) The Grantee shall have no rights of ownership in the Common Stock underlying the RSUs and no right to vote the Common Stock underlying the RSUs until the date on which the Common Stock underlying the RSUs is issued or transferred to the Grantee pursuant to **Section 5** above.
- (b) Upon the payment of vested RSUs in accordance with **Section 5** above, the Grantee shall receive additional shares of Common Stock or cash equal in value to the accrued dividend equivalents (without interest). The amount of dividend equivalents for each vested RSU shall equal the dividends paid on one share of Common Stock for each dividend whose record date occurs during the period between the Date of Grant and the payment of the vested RSUs in accordance with **Section 5** above.
- (c) The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver Common Stock in the future, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

7. **Adjustments.** The RSUs and the number of shares of Common Stock issuable for each RSU, and the other terms and conditions of the grant evidenced by this Agreement, are subject to adjustment as provided in Section 11 of the Plan.

8. **Tax Obligations.** The Grantee acknowledges that the vesting and settlement of RSUs will give rise to tax obligations. The Grantee shall be responsible for all federal, state, local and foreign taxes resulting from the award, vesting or settlement. The Company may satisfy any tax obligations, at its election, by (a) withholding shares of Common Stock subject to the RSUs, (b) requiring the Grantee to remit cash to the Company, (c) arranging for a sell-to-cover brokerage transaction, or (d) any other method permitted under the Plan. In no event will the market value of the Common Stock to be withheld, sold and/or delivered pursuant to this **Section 8** to satisfy applicable taxes exceed the maximum amount of taxes or other amounts that could be required to be withheld.

9. **Compliance With Law.** The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, the Company shall not be obligated to issue any Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any such law.

10. **Compliance With or Exemption From Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code

shall have no force or effect until amended to comply with or be exempt from Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee). Notwithstanding the foregoing, the Company is not guaranteeing any particular tax outcome, and the Grantee shall remain solely liable for any and all tax consequences associated with the RSUs.

11. **Interpretation.** Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the U.S. Internal Revenue Service.
12. **No Right to Future Awards.** The grant of the RSUs under this Agreement to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards.
13. **Relation to Other Benefits.** Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or any of its Subsidiaries and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering the Grantee.
14. **Amendments.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall materially adversely affect the rights of the Grantee under this Agreement without the Grantee's written consent, and (b) the Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code.
15. **Severability.** In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.
16. **Relation to Plan and Compensation Recovery Policy.** This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement. Moreover, this Agreement and the RSUs granted hereunder are subject to the Company's Compensation Recovery Policy, as amended from time to time, to the extent applicable, and to any clawback or recovery required by applicable law or stock exchange listing standards.
17. **Electronic Delivery.** The Company may, in its sole discretion, deliver any documents related to the RSUs and the Grantee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Grantee's consent to participate in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and, if requested, agrees to

participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

18. **Governing Law.** This Agreement shall be governed by and construed with the internal substantive laws of the State of Delaware, without giving effect to any principle of law that would result in the application of the law of any other jurisdiction.
19. **Successors and Assigns.** Without limiting **Section 3** hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.
20. **Acknowledgement.** The Grantee acknowledges that the Grantee (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions.
21. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGE]

SYNAPTICS INCORPORATED

By: _____

Name:

Title:

Grantee Acknowledgment and Acceptance

By: _____

Name:

Certification of Chief Executive Officer

I, Rahul Patel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Synaptics Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 5, 2026

/s/ Rahul Patel

Rahul Patel

Chief Executive Officer

Certification of Chief Financial Officer

I, Ken Rizvi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Synaptics Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 5, 2026

/s/ Ken Rizvi

Ken Rizvi

Chief Financial Officer

Section 1350 Certification of Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q of Synaptics Incorporated (the “Company”) for the quarterly period ended December 27, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Rahul Patel, President and Chief Executive Officer of the Company, certify, to the best of my knowledge and belief, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Rahul Patel

Rahul Patel

Chief Executive Officer

February 5, 2026

Section 1350 Certification of Chief Financial Officer

In connection with the Quarterly Report on Form 10-Q of Synaptics Incorporated (the "Company") for the quarterly period ended December 27, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ken Rizvi, Chief Financial Officer of the Company, certify, to the best of my knowledge and belief, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ken Rizvi

Ken Rizvi
Chief Financial Officer

February 5, 2026