

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549



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FORM 11-K/A

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AMENDMENT NO. 1 TO  
ANNUAL REPORT

Pursuant to Section 15(d) of the  
Securities Exchange Act of 1934

For the Fiscal Year Ended December 31, 2002

PROCESSED  
JUN 28 2004  
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FINANCIAL  
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TI 401(K) SAVINGS PLAN

TEXAS INSTRUMENTS INCORPORATED

12500 TI Boulevard, MS 8658  
Dallas, Texas 75243

P. O. Box 660199, MS 8658  
Dallas, Texas 75266

A handwritten signature in black ink, appearing to be 'W. H. M.' or similar.

The registrant's annual report on Form 11-K for the year ended December 31, 2002 for the TI 401(k) Savings Plan is hereby amended and restated in its entirety to correct the filing made on June 27, 2003 and will be effective for all purposes as of that date.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the persons who administer the Plan have duly caused this amendment to be signed on its behalf by the undersigned thereunto duly authorized.

TI 401(K) SAVINGS PLAN

By: Susan E. Alberti  
Susan E. Alberti  
Chair, Administration Committee

Date: June 24, 2004

## Report of Independent Auditors

The Administration Committee  
TI 401(k) Savings Plan

We have audited the accompanying statements of net assets available for benefits of the TI 401(k) Savings Plan as of December 31, 2002 and 2001, and the related statement of changes in net assets available for benefits for the year ended December 31, 2002. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2002 and 2001, and the changes in its net assets available for benefits for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2002, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Ernst & Young LLP*

May 5, 2003

## TI 401(k) Savings Plan

### Statements of Net Assets Available for Benefits

	<b>December 31</b>	
	<b>2002</b>	<b>2001</b>
	<i>(In thousands)</i>	
<b>Assets</b>		
Plan interest in Texas Instruments Incorporated		
Defined Contribution Plan Master Trust	\$ 896,746	\$ 1,453,272
Participant notes receivable	27,708	33,779
Employer contributions receivable	126	-
Employee contributions receivable	436	-
Dividends and interest receivable	227	171
Total assets	925,243	1,487,222
<b>Liabilities</b>		
Accrued expenses	97	215
Net assets available for benefits	\$ 925,146	\$ 1,487,007

*See accompanying notes.*

## TI 401(k) Savings Plan

### Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2002

*(In thousands)*

Plan interest in Texas Instruments Incorporated Defined Contribution Plan Master Trust investment loss	\$ (472,531)
Contributions:	
Employee	27,430
Employer	7,211
Rollover	7
	<hr/>
	34,648
Transfer in of net assets from Burr-Brown Corporation Future Investment Trust	15,069
Benefits paid to participants	(136,886)
Transfer of net assets within Master Trust	(1,752)
Administrative expenses	(409)
	<hr/>
Net decrease	(561,861)
Net assets available for benefits:	
Beginning of year	1,487,007
End of year	<hr/> <u>\$ 925,146</u>

*See accompanying notes.*

# TI 401(k) Savings Plan

## Notes to Financial Statements

December 31, 2002

### **1. Description of the Plan**

The following description of the TI 401(k) Savings Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

#### **General**

The Plan was adopted effective January 1, 1973, by Texas Instruments Incorporated and participating subsidiaries (TI or the Company). Effective January 1, 1998, the Company adopted the TI U.S. Employees Retirement and Profit Sharing Plan (named TI Contribution and 401(k) Savings Plan effective July 1, 2000; hereafter, the "Contribution and 401(k) Plan"). Prior to January 1, 1998, each participant was given an election to either remain in the Plan or discontinue participation and have assets representing the value of his or her Plan accounts transferred into the Contribution and 401(k) Plan. Such assets were transferred to the Contribution and 401(k) Plan effective January 5, 1998. The Company closed the Plan to new participants as of December 1, 1997.

During 2002, the Plan was amended and restated effective January 1, 2002, to incorporate subsequent amendments to the Plan, to comply with applicable law, and to make certain other changes subject to the approval of the IRS.

The Plan is a defined contribution plan designed to comply with the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Administration Committee.

#### **Eligibility/Participation**

Participants in this Plan are those individuals who were participants in the Plan on December 1, 1997, and who, as of December 12, 1997, elected to continue participation in this Plan and not participate in the Contribution and 401(k) Plan or those Texas Instruments Tucson Corporation employees who elected to begin participating in the Plan on January 1, 2001, or were transferred into the Plan effective August 2, 2002. Former participants in this Plan who elected to participate in the Contribution and 401(k) Plan by December 12, 1997, are ineligible to become participants in this Plan.

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### **1. Description of the Plan (continued)**

In the fall of 2000, Texas Instruments Tucson Corporation employees who were participants in the Burr-Brown Corporation's Pension Plan (which was merged into the TI Employees Pension Plan effective January 1, 2001) could elect to cease to accrue credited service under the Burr-Brown Corporation's Pension Plan and effective January 1, 2001, to become participants in the Plan.

Additionally, account balances of Texas Instruments Tucson Corporation employees who were participants in the Burr-Brown Corporation Future Investment Trust (the BBC FIT Plan) and who did not elect to take a distribution from the BBC FIT Plan by August 2, 2002, were transferred to either the Plan or the Contribution and 401(k) Plan.

#### **Participants' Accounts**

Participants may have one or more of the following accounts within the Plan: a 401(k) Account, which consists of 401(k) contributions, employer matching contributions, and rollovers from other qualified plans; Employer Fixed Savings Contributions account for contributions made pursuant to the Contribution and 401(k) Savings Plan (Contribution Account); a Universal Profit Sharing Account (Profit Sharing Account); and a Voluntary Employee Contribution Account (VEC).

Each participant's 401(k) Account is credited with the participant's salary deferrals, employer matching contributions, and earnings and losses thereon. Each participant's Profit Sharing, Contribution, and VEC Accounts are credited with earnings and losses. Allocations of Plan earnings and losses are based on account balances. Expenses of administering the Plan and Trust are deducted from participants' accounts to the extent not paid by the Company.

#### **Contributions**

The Plan receives contributions from TI and from eligible TI employees. Participant contributions are made through periodic payroll deductions, which are limited to the lesser of the amount permitted by Plan provisions or the Internal Revenue Code (the Code) limitation (\$11,000 for 2002). Such contributions are credited to each participant's 401(k) Account. Effective January 1, 2002, the maximum contribution rate is 50% of the compensation, as defined by the Plan, received by the participant in each payroll period.

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### **1. Description of the Plan (continued)**

Effective November 1, 2002, the Plan was amended to offer catch-up contributions to participants who attained age 50 or older before the close of the Plan year.

TI matches participating employee deferrals in an amount equal to 50% of the participating employees' deferrals not to exceed an amount equal to 2% of the participating employees' eligible compensation, as defined by the Plan, received by participants during the Plan year (Employer Matched Savings Contributions). For the TI-Tucson participants who elected to participate in this Plan, TI matches participating employee deferrals in an amount equal to 25% of the participating employees' deferrals not to exceed 3.75% of the employees' eligible compensation, as defined by the Plan, received by participants during the Plan year. The Employer Matched Savings Contributions are credited to each participant's 401(k) Account.

Prior to 1999, profit sharing contributions were made to a Profit Sharing Account for eligible employees. Effective January 1, 1999, the Plan was amended such that Company profit sharing contributions shall not be made for Plan years beginning on or after January 1, 1999.

Contributions to the VEC account were discontinued as of January 1, 1987.

#### **Investments**

All investment assets of the Plan are held in various investment accounts of the Texas Instruments Incorporated Defined Contribution Plan Master Trust (Master Trust) under a trust agreement with Northern Trust Company. The plan assets of the Contribution and 401(k) Plan are also held in the Master Trust. Investments in the Master Trust as of December 31, 2002 and 2001, are presented in Note 3.

Interest and dividends and net appreciation (depreciation) in fair value of investments are allocated among the participating plans in the Master Trust based on the respective number of units held by each plan. Administrative expenses are allocated on a per participant basis. Contributions received, benefits paid, and directly attributable expenses of the participating plans effectively increase or decrease the number of units held by each plan.

Participants may direct contributions and deferrals to be invested in and transferred among various investment funds currently provided.

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### **1. Description of the Plan (continued)**

Effective October 2, 1995, beginning with the 1994 profit sharing contributions, participants could have directed their assets attributed to employer profit sharing contributions to be invested in and transferred among the investment funds currently provided for in the accounts of the Plan. Assets attributed to profit sharing contributions made prior to 1994 were invested in TI common stock and, prior to September 10, 2001, these contributions were required under the terms of the Plan to remain invested in TI common stock. Beginning September 10, 2001, participants could direct the investment of these contributions among any of the fund options offered by the Plan.

At December 31, 2002 and 2001, the approximate number of participants in the various investment fund options was as follows: 7,933 and 8,791 in TI common stock; 1,344 and 7,837 in registered investment companies; and 13,345 and 5,077 in common/collective trusts, respectively. At December 31, 2001, there were approximately 3,100 participants in the Investment Contract Fund, which is included in the Income Fund, a common/collective trust, effective April 1, 2002. A self-directed brokerage account option was added to the Plan as an investment option effective April 1, 2002, and had approximately 83 participants at December 31, 2002.

#### **Participant Notes Receivable**

All loans to participants are included in participant notes receivable. Participant notes receivable bear interest at prime rate at the time of the loan plus 1%. Loans must be repaid in full within five years (except in the case of a residential loan) and are recorded at the carrying value of participants' loans, which approximates fair value.

All loans initiated subsequent to July 31, 2001, will become due upon termination of employment.

Each loan shall be deducted from a participant's account, as defined in the Plan document, shall be secured by that portion of the participant's vested account balance deducted for the loan, and shall be made for such periods of time, not to exceed five years (except in the case of a residential loan), upon such rate of interest, and subject to other limitations, terms, and conditions as the Administration Committee shall determine. Loans are limited as to the amount of loans for each participant, as described in the Plan document.

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### **1. Description of the Plan (continued)**

##### **Distributions and Vesting**

Upon termination of employment because of retirement, permanent disability, or death, the full amount of his or her Plan accounts shall be payable to the participant or, in case of death, to the beneficiary, subject to applicable laws.

Participants are 100% vested in their 401(k) Account, VEC, and Profit Sharing Accounts, and no forfeitures of a vested interest in such accounts shall take place for any reason under this Plan. Upon termination of employment of any participant, the participant shall be entitled to receive the full amount of his or her 401(k) Account, Contribution Account, VEC Account, and Profit Sharing Account.

##### **Withdrawals**

A participant has the right to withdraw an amount from his or her 401(k) Account or VEC Account on or after the earlier of his or her (i) attainment of age 59 1/2 years or (ii) becoming entitled to a distribution in accordance with the Plan provisions. A withdrawal must equal at least the lesser of \$500 or the entire amount available for withdrawal.

Effective April 1, 2002, participants whose account balances are less than \$5,000 will receive an automatic distribution 90 days after the date of termination.

Effective April 3, 2002, a participant shall have the right to withdraw any amount from his or her VEC account at any time with a minimum withdrawal amount of \$500 or 100% of the account balance.

Certain limitations on withdrawals are described in the Plan document.

##### **Transfers within Master Trust**

An employee who has incurred a break in credited service, as defined in the Plan document, shall not participate in this Plan during the break in credited service. Former participants and employees who have satisfied the requirements for participation in the Plan prior to incurring a break in credited service and who again become employees shall not be eligible to again participate in this Plan. Upon rehire, such employee's Plan

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### 1. Description of the Plan (continued)

accounts shall be transferred to and the employee shall begin participating in the Contribution and 401(k) Plan. Included in the statement of changes in net assets available for benefits are transfer amounts from the Plan to the Contribution and 401(k) Plan representing the participant account balances of employees whom the Company has rehired.

#### Termination of the Plan

While there is no intention to do so, TI may discontinue the Plan by giving written notice to the Administration Committee and Plan trustee, subject to the provisions of ERISA.

#### 2. Summary of Significant Accounting Policies

##### Investment Valuation and Income Recognition

The investments are valued using quoted market prices for TI and other common stocks. Registered investment company shares are valued at published market prices which represent the net asset value of shares held by the Plan at year-end. Common/collective trusts are valued at fair value based on the underlying investments of the trusts as determined by the sponsor of the trust. Cash equivalents are valued at cost, which approximates fair value. Participant loans are valued at their carrying value, which approximates fair value. Investment contracts within the Income Fund are valued at contract value. Contract value represents contributions made plus interest at a guaranteed contract rate, less Plan expenses.

Effective April 1, 2002, no additional contributions were allowed into the investment contracts. The remaining investment contracts at December 31, 2002 mature in 2003 and 2004. Investment contracts include guaranteed investment contracts (with various insurance companies) at December 31, 2002 and 2001, and synthetic guaranteed investment contracts at December 31, 2001. The synthetic guaranteed investment contracts consisted of investments held by the Plan in bond portfolios and other fixed income securities that had a wrapper contract issued by various insurance companies and financial institutions. At December 31, 2002 and 2001, the rate at which interest accrued to investment contracts ranged from 5.70% to 8.95% and from 4.08% to 6.42%, respectively. The estimated fair value calculated for investment contracts in the Master Trust at December 31, 2002 and 2001, approximates contract value. Considerable

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

judgment is necessarily required in interpreting market data to develop these estimates. In addition, fair values fluctuate on a daily basis. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. Certain investment contracts are subject to adjustment upon early termination.

Purchases and sales of securities are recorded on a trade-date basis.

The Plan provides for investments in various investment securities which, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Further, due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect amounts reported in the statements of net assets available for benefits.

#### **Use of Estimates**

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

#### **3. Interest in Master Trust**

The Plan's investments are held in the Master Trust, which was established for the investment of assets of the Plan and the Contribution and 401(k) Plan sponsored by TI (see Note 1). The two participating plans have an undivided interest in the Master Trust. At December 31, 2002 and 2001, the Plan's percentage interest in the net assets of the Master Trust was approximately 46% and 48%, respectively.

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### 3. Interest in Master Trust (continued)

The following table presents the fair values of the investments, except for investment contracts, which is presented at contract value, for the Master Trust as of December 31:

	<b>2002</b>	<b>2001</b>
	<b>Master Trust</b>	
	<i>(In thousands)</i>	
Texas Instruments Incorporated Defined Contribution Plan Master Trust:		
Cash and cash equivalents	\$ 4,125	\$ —
TI common stock	1,043,225	2,070,640
Registered investment companies	81,959	259,768
Common/collective trusts	797,395	502,446
Other common stocks	6,225	—
Other investments	789	—
Investment contracts	18,812	179,926
Due to broker	(6,015)	—
	<b>\$ 1,946,515</b>	<b>\$ 3,012,780</b>

The following table presents investment income (loss) for the Master Trust for the year ended December 31, 2002 (in thousands):

Net depreciation in fair value of TI common stock	\$ (881,571)
Net depreciation in fair value of other common stocks	(1,627)
Net appreciation in fair value of registered investment companies	3,047
Net depreciation in fair value of common/collective trusts	(115,067)
Net depreciation in fair value of other investments	(107)
Interest and dividends	13,262
	<b>\$ (982,063)</b>

## TI 401(k) Savings Plan

### Notes to Financial Statements (continued)

#### 4. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 21, 2001, stating that the Plan is qualified under Section 401(a) of the Code and, therefore, the related trust is exempt from taxation. Subsequent to issuance of the determination letter, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax-exempt.

#### 5. Reconciliation of Financial Statements to the Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 (in thousands):

	<b>December 31, 2002</b>
Net assets available for benefits per the financial statements	\$ 925,146
Less: Benefits payable	<u>(381)</u>
Net assets available for benefits per the Form 5500	<u>\$ 924,765</u>

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 (in thousands):

	<b>Year ended December 31, 2002</b>
Benefits paid to participants per the financial statements	\$ 136,886
Add: Benefits payable at end of year	<u>381</u>
Benefits paid to participants per the Form 5500	<u>\$ 137,267</u>

Benefits payable are recorded on the Form 5500 for payments to participants who requested payment prior to December 31, but had not been paid as of that date.

# Supplemental Schedule

TI 401(k) Savings Plan

Schedule H; Line 4i – Schedule of Assets (Held At End of Year)

EIN: 75-0289970

Plan #: 017

December 31, 2002

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value <i>(In thousands)</i>
*	Participants	Loans with interest rates ranging from 5.25% to 10.00%	\$ -	\$27,708

\* Indicates party-in-interest to the Plan.

**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Seq. Description</b>	<b>Page No.</b>
23	Consent of Independent Registered Public Accounting Firm	15

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 33-54615) pertaining to the TI 401(k) Savings Plan of our report dated May 5, 2003, with respect to the financial statements and schedule of the TI 401(k) Savings Plan included in this Annual Report (Form 11-K/A) for the year ended December 31, 2002.

/s/ Ernst & Young LLP

*Ernst + Young LLP*

Dallas, Texas  
June 23, 2004