Forward-Looking Statement

This document includes forward-looking statements which include statements regarding NXP’s business strategy, financial condition, results of operations, and market data, as well as any other statements which are not historical facts. By their nature, forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected. These factors, risks and uncertainties include the following: the duration and spread of the COVID-19 outbreak, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume; market demand and semiconductor industry conditions; the ability to successfully introduce new technologies and products; the demand for the goods into which NXP’s products are incorporated; trade disputes between the U.S. and China, potential increase of barriers to international trade and resulting disruptions to NXP’s established supply chains; the ability to generate sufficient cash, raise sufficient capital or refinance corporate debt at or before maturity to meet both NXP’s debt service and research and development and capital investment requirements; the ability to accurately estimate demand and match manufacturing production capacity accordingly or obtain supplies from third-party producers; the potential impact of the outbreak of COVID-19 on NXP’s business, operations, results of operations, financial condition, workforce or the operations or decisions of customers, suppliers or business customers; the access to production capacity from third-party outsourcing partners and any events that might affect their business or NXP’s relationship with them; including the outbreak of COVID-19 or the requirements to suspend activities with customers or suppliers because of changing import and export regulations; the ability to secure adequate and timely supply of equipment and materials from suppliers; the ability to avoid operational problems and product defects and, if such issues were to arise, to correct them quickly; the ability to form strategic partnerships and joint ventures and to successfully cooperate with alliance partners; the ability to win competitive bid selection processes; the ability to develop products for use in customers’ equipment and products; the ability to successfully hire and retain key management and senior product engineers; and, the ability to maintain good relationships with NXP’s suppliers. In addition, this document contains information concerning the semiconductor industry and NXP’s market and business segments generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which the semiconductor industry and NXP’s market and business segments may develop. NXP has based these assumptions on information currently available, if any one or more of these assumptions turn out to be incorrect, actual results may differ from those predicted. While NXP does not know what impact any such differences may have on its business, if there are such differences, its future results of operations and its financial condition could be materially adversely affected. There can be no assurances that a pandemic, epidemic or outbreak of a contagious diseases, such as COVID-19, will not have a material and adverse impact on our business, operating results and financial condition in the future. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak to results only as of the date the statements were made. Except for any ongoing obligation to disclose material information as required by the United States federal securities laws, NXP does not have any intention or obligation to publicly update or revise any forward-looking statements after we distribute this document, whether to reflect any future events or circumstances or otherwise. For a discussion of potential risks and uncertainties, please refer to the risk factors listed in our SEC filings. Copies of our SEC filings are available on our Investor Relations website, www.nxp.com/investor or from the SEC website, www.sec.gov.
NXP Investment Thesis

Market Leader in Growing Markets

Focused on Strong Profitable Growth

Shareholder Friendly

All Excess Cash Returned to Shareholders
Secure Connections for the Smarter World… has Evolved

Focus Verticals
- Automotive
- Industrial & IoT
- Mobile
- Comm. Infra.

Cloud Infrastructure
- Machine Learning
- Authentication
- Services
- Data Analytics

Enabling Technologies
- Processing
- Connectivity
- Security

IoT Edge
- Home Gateway
- Auto Gateway
- Industrial Controller
- Smart City
- Smart Home
- Smart Health
- Smart Retail
- Wearables
- Smart Buildings
- Voice Assistant
- Robotics
- Media Streaming

Actuating
NXP Addresses 4 Major End Markets

**Automotive**
ADAS + Electrification
System solutions innovation with OEMs
Increased content drives growth

**Industrial & IoT**
Fragmented customer base
Processing needs are transforming markets
Scalable solutions as a differentiator

**Mobile**
Large mobile and adjacent device market
Continued demand for features - innovation
Growth driven by increased attach rate

**Communication**
Infrastructure & Other
Capex-driven wireless infrastructure market
Secular growth due to new cellular standard
Focused Leadership – End Markets

NXP 2019 Revenue by End-market Exposure

- Automotive: 47%
- Mobile: 13%
- Comm. Infra. & Other: 21%
- Industrial & IoT: 18%

Broad end market exposure
- Long product life cycles
- High barriers to entry
- Application expertise

Recognized leadership in
- Automotive
- MCU and application processors
- Mobile transactions
- RF power solutions
- Secure identification, mobility, RFID

Note:
1. Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures
2. The sum of the percentages shown may not add to 100% due to rounding.
Growth Opportunity Driven by Focus End Markets

Growth by End Market

<table>
<thead>
<tr>
<th>End Market</th>
<th>Percent 2018 Revenue</th>
<th>2018A – 2021E 3-yr. CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>48%</td>
<td>Up 7 to 10%</td>
</tr>
<tr>
<td>Industrial &amp; IoT</td>
<td>19%</td>
<td>Up 8 to 11%</td>
</tr>
<tr>
<td>Mobile</td>
<td>12%</td>
<td>Up 4 to 6%</td>
</tr>
<tr>
<td>Comm. Infra. &amp; Other</td>
<td>19%</td>
<td>0 to up 2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>Up 5 - 7%</td>
</tr>
</tbody>
</table>

$9.4B 3-Yr CAGR

$10.9B - $11.6B

Note:
NXP defines “Market” as the “TAM-F Auto” which is the total Automotive Semiconductor Industry TAM less Memory, Optoelectronics, Discretes.

Source: Strategy Analytics

Automotive – NXP Leads, Accelerates in New Areas

Growth drivers
- New business – above market growth
  - ADAS / radar, vehicle networks, electrification
- Core business – at market growth
  - Connected infotainment, powertrain, secure car access

Value proposition
- Solution portfolio
- Innovation power
- Automotive safety & reliability

Revenue
- 2018A: $4.5B
- 2021E: 7-10% 3-Yr CAGR
- 2018E: $27B
- 2021E: 5-7% 3-Yr CAGR

Market
- 2018A: $4.5B
- 2021E: 7-10% 3-Yr CAGR
- 2018E: $27B
- 2021E: 5-7% 3-Yr CAGR
Industrial & IoT – Highly Diversified

Revenue

2018A
$1.8B
3-5% 3-Yr CAGR

2021E

Market

2018E
$127B
8-11% 3-Yr CAGR

2021E

Growth drivers

• Processing
  – 32bit microcontrollers & cross-overs
  – IoT application processors
  – Analog mixed-signal & connectivity

Value proposition

• Broad, scalable solutions
• Common S/W tool environment
• Deep application insights
• Channel reach

1. Charts/graphics created by NXP based on Gartner research. Source: Gartner Semiconductor Forecast Database, Worldwide, 2Q18 Update (Calculations performed by NXP)
2. NXP defines “Market”, the “TAM-F Industrial & IoT”, which is the total Industrial & IoT Semiconductor Industry TAM less Memory, Optoelectronics, Discretes
3. Industrial/IoT includes Industrial, Consumer and Computing, excludes Ultramobile, Wearables and Smartcards
4. The Gartner Report(s) described herein, the “Gartner Report(s)” represent(s) research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. (“Gartner”), and are not representations of fact. Each Gartner Report speaks as of its original publication date (and not as of the date of this Investor Presentation) and the opinions expressed in the Gartner Report(s) are subject to change without notice
Mobile – Specialty Supplier with High Moats

1. Growth drivers
   - Mobile payment adoption
   - New use cases (transit, access, etc.)
   - High-speed mixed-signal interface

2. Value proposition
   - Technology innovator and leadership
   - Recognized ecosystem leader
   - Deep application insights

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1. Charts/graphics created by NXP based on Gartner research. Source: Gartner Semiconductor Forecast Database, Worldwide, 2Q18 Update/Calculations performed by NXP
2. NXP defines “Market” by “TAM-Mobile” which is the total Mobile Semiconductor Industry TAM less Memory, Optoelectronics, Discretes
3. Mobile includes Smartphones, Feature phones, Wearables and Ultramobile
4. The Gartner Reports(s) described herein, the “Gartner Report(s)” represent(s) research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. (“Gartner”), and are not representations of fact. Each Gartner Report speaks as of its original publication date (and not as of the date of this Investor Presentation) and the opinions expressed in the Gartner Report(s) are subject to change without notice
Comm. Infra. & Other – Cyclical and Project Oriented

Growth drivers
- 5G base station deployment will result in
  - Adoption of mMIMO
  - Continued leadership in LDMOS
  - Transition to GaN
- Leadership in transit, access and retail
  - MIFARE and RFID

Value proposition
- Broadest portfolio
- Technology leadership
- Deep application insights

1. Charts/graphics created by NXP based on Gartner research. Source: Gartner Semiconductor Forecast Database, Worldwide, 2Q18 Update. Calculations performed by NXP.
2. NXP defines “Market” the “TAM-F Comm. Infra.” which is the total Comm. Infra. Semiconductor Industry TAM less Memory, Optoelectronics, Discretes.
3. The Gartner Report(s) described herein, (the “Gartner Report(s)”) represent(s) research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. (“Gartner”), and are not representations of fact. Each Gartner Report speaks as of its original publication date (and not as of the date of this Investor Presentation) and the opinions expressed in the Gartner Report(s) are subject to change without notice.
Diverse Customer Base - Top 20 Customers > 40% of Revenue

>25,000 Total Customers

Automotive  Mobile  Comm. Infra.
Driving Profitable Growth in Excess of Addressable Market

As Reported Revenue Down 2% 3-yr. CAGR ($B)

- 2016: $9.5
- 2017: $9.3
- 2018: $9.4
- 2019: $8.9

Non-GAAP Gross Profit^2 flat 3-yr. CAGR ($B)

- 2016: $4.8
- 2017: $4.9
- 2018: $5.0
- 2019: $4.7

Non-GAAP EBIT^2 Profit up 1% 3-yr. CAGR ($B)

- 2016: $2.5
- 2017: $2.7
- 2018: $2.7
- 2019: $2.6

Non-GAAP Free Cash Flow^2,3 Down 1% 3-yr. CAGR ($B)

- 2016: $1.9
- 2017: $1.9
- 2018: $3.8
- 2019: $1.9

Note:
1. Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures
2. Gross Profit, EBIT Profit, Free Cash Flow(FCF), are all non-GAAP figures, 3-yr. CAGR reflect the period 2016 – 2019
3. 2018 Non-GAAP Free Cash Flow reflects the receipt of $2 billion termination fee associated with terminated Qualcomm transaction
Recent Quarterly Business Trends


2. Gross, Margin, Operating Margin, Adj. EBITDA are all non-GAAP figures.

As Reported Revenue ($M)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019 Q1</th>
<th>2019 Q2</th>
<th>2019 Q3</th>
<th>2019 Q4</th>
<th>2020 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,094</td>
<td>2,217</td>
<td>2,265</td>
<td>2,301</td>
<td>2,021</td>
</tr>
</tbody>
</table>

Non-GAAP Gross Margin

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019 Q1</th>
<th>2019 Q2</th>
<th>2019 Q3</th>
<th>2019 Q4</th>
<th>2020 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>52.7%</td>
<td>53.3%</td>
<td>53.7%</td>
<td>54.2%</td>
<td>51.8%</td>
</tr>
</tbody>
</table>

Non-GAAP Operating Margin

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019 Q1</th>
<th>2019 Q2</th>
<th>2019 Q3</th>
<th>2019 Q4</th>
<th>2020 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>26.7%</td>
<td>28.9%</td>
<td>30.3%</td>
<td>29.9%</td>
<td>24.8%</td>
</tr>
</tbody>
</table>

Non-GAAP Adj. EBITDA Margin

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019 Q1</th>
<th>2019 Q2</th>
<th>2019 Q3</th>
<th>2019 Q4</th>
<th>2020 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>32.8%</td>
<td>34.7%</td>
<td>36.3%</td>
<td>35.8%</td>
<td>31.7%</td>
</tr>
</tbody>
</table>
Revenue by End Market Trend ($M)¹

Automotive

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>$1,036</td>
<td>$1,031</td>
<td>$1,048</td>
<td>$1,097</td>
<td>$994</td>
</tr>
<tr>
<td>Q2</td>
<td>$1,036</td>
<td>$1,031</td>
<td>$1,048</td>
<td>$1,097</td>
<td>$994</td>
</tr>
<tr>
<td>Q3</td>
<td>$1,036</td>
<td>$1,031</td>
<td>$1,048</td>
<td>$1,097</td>
<td>$994</td>
</tr>
<tr>
<td>Q4</td>
<td>$1,036</td>
<td>$1,031</td>
<td>$1,048</td>
<td>$1,097</td>
<td>$994</td>
</tr>
</tbody>
</table>

(9%) Q-Q  
(4%) Y-Y

Industrial & IoT

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>$368</td>
<td>$390</td>
<td>$426</td>
<td>$415</td>
<td>$376</td>
</tr>
<tr>
<td>Q2</td>
<td>$368</td>
<td>$390</td>
<td>$426</td>
<td>$415</td>
<td>$376</td>
</tr>
<tr>
<td>Q3</td>
<td>$368</td>
<td>$390</td>
<td>$426</td>
<td>$415</td>
<td>$376</td>
</tr>
<tr>
<td>Q4</td>
<td>$368</td>
<td>$390</td>
<td>$426</td>
<td>$415</td>
<td>$376</td>
</tr>
</tbody>
</table>

(9%) Q-Q  
2% Y-Y

Mobile

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>$241</td>
<td>$297</td>
<td>$321</td>
<td>$332</td>
<td>$247</td>
</tr>
<tr>
<td>Q2</td>
<td>$241</td>
<td>$297</td>
<td>$321</td>
<td>$332</td>
<td>$247</td>
</tr>
<tr>
<td>Q3</td>
<td>$241</td>
<td>$297</td>
<td>$321</td>
<td>$332</td>
<td>$247</td>
</tr>
<tr>
<td>Q4</td>
<td>$241</td>
<td>$297</td>
<td>$321</td>
<td>$332</td>
<td>$247</td>
</tr>
</tbody>
</table>

(26%) Q-Q  
2% Y-Y

Communication Infrastructure & Other

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>$449</td>
<td>$499</td>
<td>$470</td>
<td>$457</td>
<td>$404</td>
</tr>
<tr>
<td>Q2</td>
<td>$449</td>
<td>$499</td>
<td>$470</td>
<td>$457</td>
<td>$404</td>
</tr>
<tr>
<td>Q3</td>
<td>$449</td>
<td>$499</td>
<td>$470</td>
<td>$457</td>
<td>$404</td>
</tr>
<tr>
<td>Q4</td>
<td>$449</td>
<td>$499</td>
<td>$470</td>
<td>$457</td>
<td>$404</td>
</tr>
</tbody>
</table>

(12%) Q-Q  
(10%) Y-Y

Note: Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures.
**Debt Summary End of 1Q20**

<table>
<thead>
<tr>
<th>Debt Instrument</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Sr. Unsecured Notes</th>
<th>Revolving Credit Facility</th>
</tr>
</thead>
</table>
| **Issued Amount (M)** | $1,350               | $400               | $1,000              | $900               | $1,000              | $500               | $750               | $500               | $500               | $1,500
| **Book Value (M)** | $1,350               | $398               | $997               | $897               | $995               | $497               | $746               | $496               | $991               | $0
| **Amount (M)** | $1,350               | $400               | $1,000              | $900               | $1,000              | $500               | $750               | $500               | $1,000              | $0
| **Coupon** | 4.125%            | 4.625%            | 3.875%            | 4.625%            | 4.875%            | 5.350%            | 3.875%            | 5.550%            | 4.300%            | Libor + 125 bps
| **Moody’s Standard & Poor's** | BBB | BBB | BBB | BBB | BBB | BBB | BBB | BBB | BBB | BBB

**Total Leverage**
- Total Debt ($M) $7,366
- Total Cash ($M) $1,079
- Net Debt ($M) $6,287
- TTM Adj. EBITDA $3,054
- Cost of Debt 4.46%
- Reported Leverage 2.1X
- TTM Adj. EBITDA/Net Interest 9.6X

**Debt Summary Diagram**
- RCF (2.45%)
- ‘21 Sr. Unsecured Note (4.125%)
- ‘22 Sr. Unsecured Note (3.875%)
- ‘23 Sr. Unsecured Note (4.875%)
- ‘24 Sr. Unsecured Note (4.625%)
- ‘25 Sr. Unsecured Note (5.550%)
- ‘26 Sr. Unsecured Note (5.55%)
- ‘27 Sr. Unsecured Note (4.30%)

*Note: Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures.*
Working Capital Ratios\(^{1,2}\)

**DSO**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSO</td>
<td>35</td>
<td>32</td>
<td>32</td>
<td>26</td>
<td>28</td>
</tr>
</tbody>
</table>

**DPO**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>DPO</td>
<td>74</td>
<td>67</td>
<td>74</td>
<td>81</td>
<td>83</td>
</tr>
</tbody>
</table>

**DIO\(^{(2)}\)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>DIO(^{(2)})</td>
<td>113</td>
<td>100</td>
<td>98</td>
<td>102</td>
<td>113</td>
</tr>
</tbody>
</table>

**Cash Conversion Cycle**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.C.</td>
<td>74</td>
<td>65</td>
<td>56</td>
<td>47</td>
<td>58</td>
</tr>
</tbody>
</table>

Note:

1. Working capital ratios exclude the effect of (1) the effect of purchase price accounting amortization effects on GAAP COGS.

\[
\text{DSO} = \frac{(91.25 \times \text{AR})}{\text{Revenue}}
\]

\[
\text{DPO} = \frac{(91.25 \times \text{AP})}{\text{COGS}}
\]

\[
\text{DIO} = \frac{(91.25 \times \text{Inventory})}{\text{COGS}}
\]

\[
\text{Cash Conversion Cycle} = \text{DIO} - \text{DSO} - \text{DPO}
\]
1. GAAP Gross Profit is expected to include Purchase Price Accounting (“PPA”) effects, $(20) million; Stock Based Compensation, $(11) million;
2. GAAP Operating Income (loss) is expected to include PPA effects, $(403) million; Stock Based Compensation, $(106) million; Merger related costs $(3) million; Restructuring and Other Incidentals, $(7) million;
3. GAAP Financial Income (expense) is expected to include Other financial expense $(2) million;
4. Net cash paid for income taxes related to on-going operations is expected to be approximately $(17) million;
5. Non-controlling interest is expected to be approximately $(6) million;
6. Weighted average diluted share count is expected to be approximately 282 million.

NXP has based the guidance included in this release on judgments and estimates that management believes are reasonable given its assessment of historical trends and other information reasonably available as of the date of this release. Please note, the guidance included in this release consists of predictions only, and is subject to a wide range of known and unknown risks and uncertainties, many of which are beyond NXP’s control. The guidance included in this release should not be regarded as representations by NXP that the estimated results will be achieved. Actual results may vary materially from the guidance we provide today. In relation to the use of non-GAAP financial information see the note regarding “Non-GAAP Financial Measures” below. For the factors, risks, and uncertainties to which judgments, estimates and forward-looking statements generally are subject see the note regarding “Forward-looking Statements.” We undertake no obligation to publicly update or revise any forward-looking statements, including the guidance set forth herein, to reflect future events or circumstances.
### Financial Model

<table>
<thead>
<tr>
<th></th>
<th>2018A – 2021E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Focused Market Growth</strong></td>
<td>3 - 5%</td>
</tr>
<tr>
<td><strong>NXP Growth</strong></td>
<td>5 - 7%</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Margin</strong></td>
<td>53 - 57%</td>
</tr>
<tr>
<td><strong>Non-GAAP R&amp;D</strong></td>
<td>14 - 16%</td>
</tr>
<tr>
<td><strong>Non-GAAP SG&amp;A</strong></td>
<td>6 - 8%</td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Margin</strong></td>
<td>31 - 34%</td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Income Growth</strong></td>
<td>~8 - 14%</td>
</tr>
</tbody>
</table>

1. 3 Year CAGR from 2018 actuals through 2021E internal NXP estimates.
Quarterly Financial Reconciliation (GAAP to non-GAAP):

<table>
<thead>
<tr>
<th>($ in millions, unless otherwise stated)</th>
<th>Q1 2020</th>
<th>Q4 2019</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>2,021</td>
<td>2,301</td>
<td>2,094</td>
</tr>
<tr>
<td>GAAP Gross Profit</td>
<td>997</td>
<td>1,209</td>
<td>1,072</td>
</tr>
<tr>
<td>Gross profit adjustments</td>
<td>(50)</td>
<td>(39)</td>
<td>(32)</td>
</tr>
<tr>
<td>Non - GAAP Gross Profit</td>
<td>1,047</td>
<td>1,248</td>
<td>1,104</td>
</tr>
<tr>
<td>GAAP Gross Margin</td>
<td>49.3%</td>
<td>52.5%</td>
<td>51.2%</td>
</tr>
<tr>
<td>Non-GAAP Gross Margin</td>
<td>51.8%</td>
<td>54.2%</td>
<td>52.7%</td>
</tr>
<tr>
<td>GAAP Operating income (loss)</td>
<td>68</td>
<td>197</td>
<td>54</td>
</tr>
<tr>
<td>Operating income adjustments</td>
<td>(434)</td>
<td>(490)</td>
<td>(505)</td>
</tr>
<tr>
<td>Non - GAAP Operating income (loss)</td>
<td>502</td>
<td>687</td>
<td>559</td>
</tr>
<tr>
<td>GAAP Operating Margin</td>
<td>3.4%</td>
<td>8.6%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Non-GAAP Operating Margin</td>
<td>24.8%</td>
<td>29.9%</td>
<td>26.7%</td>
</tr>
<tr>
<td>GAAP Financial income (expense)</td>
<td>(78)</td>
<td>(93)</td>
<td>(83)</td>
</tr>
<tr>
<td>Financial income adjustments</td>
<td>(3)</td>
<td>(16)</td>
<td>(22)</td>
</tr>
<tr>
<td>Non - GAAP Financial income (expense)</td>
<td>(75)</td>
<td>(77)</td>
<td>(61)</td>
</tr>
</tbody>
</table>

Other Information for Q1 2020:

- PPA effects: ($419M)
- Restructuring: ($11M)
- Stock-based compensation: ($107M)
- Merger-related costs: ($4M)
- Other incidentals: $107M
- Foreign exchange loss: ($1M)
- Other financial expense: ($2M)
## Quarterly Cash Flow Overview ($M)

<table>
<thead>
<tr>
<th>($ in millions, unless otherwise stated)</th>
<th>Q1 2020</th>
<th>Q4 2019</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by (used for) operating activities</td>
<td>512</td>
<td>814</td>
<td>296</td>
</tr>
<tr>
<td>Net cash provided by (used for) investing activities</td>
<td>(37)</td>
<td>(1,866)</td>
<td>(136)</td>
</tr>
<tr>
<td>Net cash provided by (used for) financing activities</td>
<td>(431)</td>
<td>(1,443)</td>
<td>(756)</td>
</tr>
<tr>
<td>Effects of changes in exchange rates on cash position</td>
<td>(10)</td>
<td>3</td>
<td>(1)</td>
</tr>
<tr>
<td>Increase (decrease) in cash and cash equivalents</td>
<td>34</td>
<td>(2,492)</td>
<td>(597)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the period</td>
<td>1,045</td>
<td>3,537</td>
<td>2,789</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>1,079</td>
<td>1,045</td>
<td>2,192</td>
</tr>
<tr>
<td>Net cash provided by (used for) operating activities</td>
<td>512</td>
<td>814</td>
<td>296</td>
</tr>
<tr>
<td>Net capital expenditures on property, plant and equipment</td>
<td>(143)</td>
<td>(138)</td>
<td>(144)</td>
</tr>
<tr>
<td>Non-GAAP free cash flow</td>
<td>369</td>
<td>676</td>
<td>152</td>
</tr>
<tr>
<td>Trailing 12-month Non-GAAP free cash flow</td>
<td>2,087</td>
<td>1,870</td>
<td>3,447</td>
</tr>
<tr>
<td>Trailing 12-month Non-GAAP free cash flow as a percentage of Revenue</td>
<td>24%</td>
<td>21%</td>
<td>37%</td>
</tr>
</tbody>
</table>

### Note:
### Quarterly Adjusted EBITDA ($M)

<table>
<thead>
<tr>
<th>($ in millions, unless otherwise stated)</th>
<th>Q1 2020</th>
<th>Q4 2019</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quarterly Adjusted EBITDA ($M)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net income (loss)</strong></td>
<td>(13)</td>
<td>123</td>
<td>(16)</td>
</tr>
<tr>
<td><strong>Reconciling items to adjusted net income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial (income) expense</td>
<td>78</td>
<td>93</td>
<td>83</td>
</tr>
<tr>
<td>(Benefit) provision for income taxes</td>
<td>2</td>
<td>(20)</td>
<td>(9)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>133</td>
<td>131</td>
<td>124</td>
</tr>
<tr>
<td>Amortization</td>
<td>407</td>
<td>391</td>
<td>378</td>
</tr>
<tr>
<td><strong>Adjusted net income</strong></td>
<td>607</td>
<td>718</td>
<td>560</td>
</tr>
<tr>
<td><strong>Reconciling items to adjusted EBITDA</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Results of equity-accounted investees</td>
<td>1</td>
<td>1</td>
<td>(4)</td>
</tr>
<tr>
<td>Purchase accounting effect on inventory</td>
<td>17</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Restructuring</td>
<td>11</td>
<td>(1)</td>
<td>25</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>107</td>
<td>89</td>
<td>86</td>
</tr>
<tr>
<td>Merger-related costs</td>
<td>4</td>
<td>4</td>
<td>13</td>
</tr>
<tr>
<td>Other incidental items</td>
<td>(107)</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>640</td>
<td>823</td>
<td>686</td>
</tr>
<tr>
<td><strong>Trailing 12-month Adjusted EBITDA</strong></td>
<td>3,054</td>
<td>3,100</td>
<td>3,111</td>
</tr>
</tbody>
</table>

**Note:** Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures.
Value Proposition

Driving RMS Leadership
Focused on RMS > 1.5X

Multiple High Growth Markets
Profitable growth

Solutions Core Competency
Resolving customer pain-points

World-class Expertise & Team
Customer focused passion to win

Maximize Shareholder Value
Strong cash flow generation