



NXP Investor Presentation

Second Quarter 2026

July 2026

Forward Looking Statements

This document includes forward-looking statements which include statements regarding NXP's business strategy, financial condition, results of operations, 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: market demand and semiconductor industry conditions; our ability to successfully introduce new technologies and products; the demand for the goods into which our products are incorporated; recent changes in global trade policy including tariffs and related trade actions announced by the U.S., China and other countries, potential increase of barriers to international trade, including the imposition of new or increased tariffs, and resulting disruptions to our established supply chains; the impact of government actions and regulations, including as a result of executive orders, including restrictions on the export of products and technology; increasing and evolving cybersecurity threats and privacy risks; our ability to accurately estimate demand and match our production capacity accordingly or obtain supplies from third-party producers; our access to production from third-party outsourcing partners, and any events that might affect their business or our relationship with them; our ability to secure adequate and timely supply of equipment and materials from suppliers; our ability to avoid operational problems and product defects and, if such issues were to arise, to correct them quickly; our ability to form strategic partnerships and joint ventures and successfully cooperate with our strategic alliance partners; our ability to win competitive bid selection processes; our ability to develop products for use in our customers' equipment and products; our ability to successfully hire and retain key management and senior product engineers; global hostilities, including the invasion of Ukraine by Russia and resulting regional instability, sanctions and any other retaliatory measures taken against Russia, and the continued hostilities and armed conflict in the Middle East including the ongoing military conflict involving Iran and the resulting disruption to energy markets, industrial gas supplies and global logistical routes, which could adversely impact the global supply chain, disrupt our operations or negatively impact the demand for our products in our primary end markets; our ability to maintain good relationships with our suppliers; our ability to integrate acquired businesses in an efficient and effective manner; our ability to generate sufficient cash, raise sufficient capital or refinance our debt at or before maturity to meet our debt service, research and development and capital investment requirements; and a change in tax laws could have an effect on our estimated effective tax rates. In addition, this document contains information concerning the semiconductor industry, our end markets and business generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which the semiconductor industry, our end markets and business will 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. 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.

No offer of solicitation

The Presentation does not constitute or form part of, and should not be construed as, an offer to sell or issue, or the solicitation of an offer to purchase, subscribe to or acquire, securities of NXP, or an inducement to enter into investment activity in the United States or in any other jurisdiction in which such offer, solicitation, inducement or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of such jurisdiction. No part of this Presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.

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Use of Non-GAAP Financial Measures

In this presentation, we have included certain non-GAAP financial information, including (i) Gross profit, (ii) Gross margin, (iii) Research and development, (iv) Selling, general and administrative, (v) Amortization of acquisition-related intangible assets, (vi) Other income, (vii) Operating income (loss), (viii) Operating margin, (ix) Financial Income (expense), (x) Income tax benefit (provision), (xi) Results relating to non-foundry equity-accounted investees, (xii) Net income (loss) attributable to stockholders, (xiii) Earnings per Share - Diluted, (xiv) EBITDA, adjusted EBITDA and trailing 12 month adjusted EBITDA, and (xv) free cash flow, trailing 12 month free cash flow and trailing 12 month free cash flow as a percent of Revenue. The non-GAAP information excludes, where applicable, the amortization of acquisition related intangible assets, the purchase accounting effect on inventory and property, plant and equipment, merger related costs (including integration costs), certain items related to divestitures, share-based compensation expense, restructuring and asset impairment charges, extinguishment of debt, foreign exchange gains and losses, income tax effect on adjustments described above and results from non-foundry equity-accounted investments. The difference in the benefit (provision) for income taxes between our GAAP and non-GAAP results relates to the income tax effects of the GAAP to non-GAAP adjustments that we make and the income tax effect of any discrete items that occur in the interim period. Discrete items primarily relate to unexpected tax events that may occur as these amounts cannot be forecasted (e.g., the impact of changes in tax law and/or rates, changes in estimates or resolved tax audits relating to prior year tax provisions, the excess or deficit tax effects on share-based compensation, etc.). Please refer to the NXP Historic Financial Model file found on the Financial Results page of the Investor Relations section of our website at www.nxp.com.

The difference in the benefit (provision) for income taxes between our GAAP and non-GAAP results relates to the income tax effects of the GAAP to non-GAAP adjustments that we make and the income tax effect of any discrete items that occur in the interim period. Discrete items primarily relate to unexpected tax events that may occur as these amounts cannot be forecasted (e.g., the impact of changes in tax law and/or rates, changes in estimates or resolved tax audits relating to prior year tax provisions, the excess or deficit tax effects on share-based compensation, etc.).

NXP, A Future of Innovation and Long-term Value Creation



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**High Single Digit Organic
Revenue Growth**

S32 SDV
Intelligent systems at the edge

**Gross Margin Expansion
Above 60%**

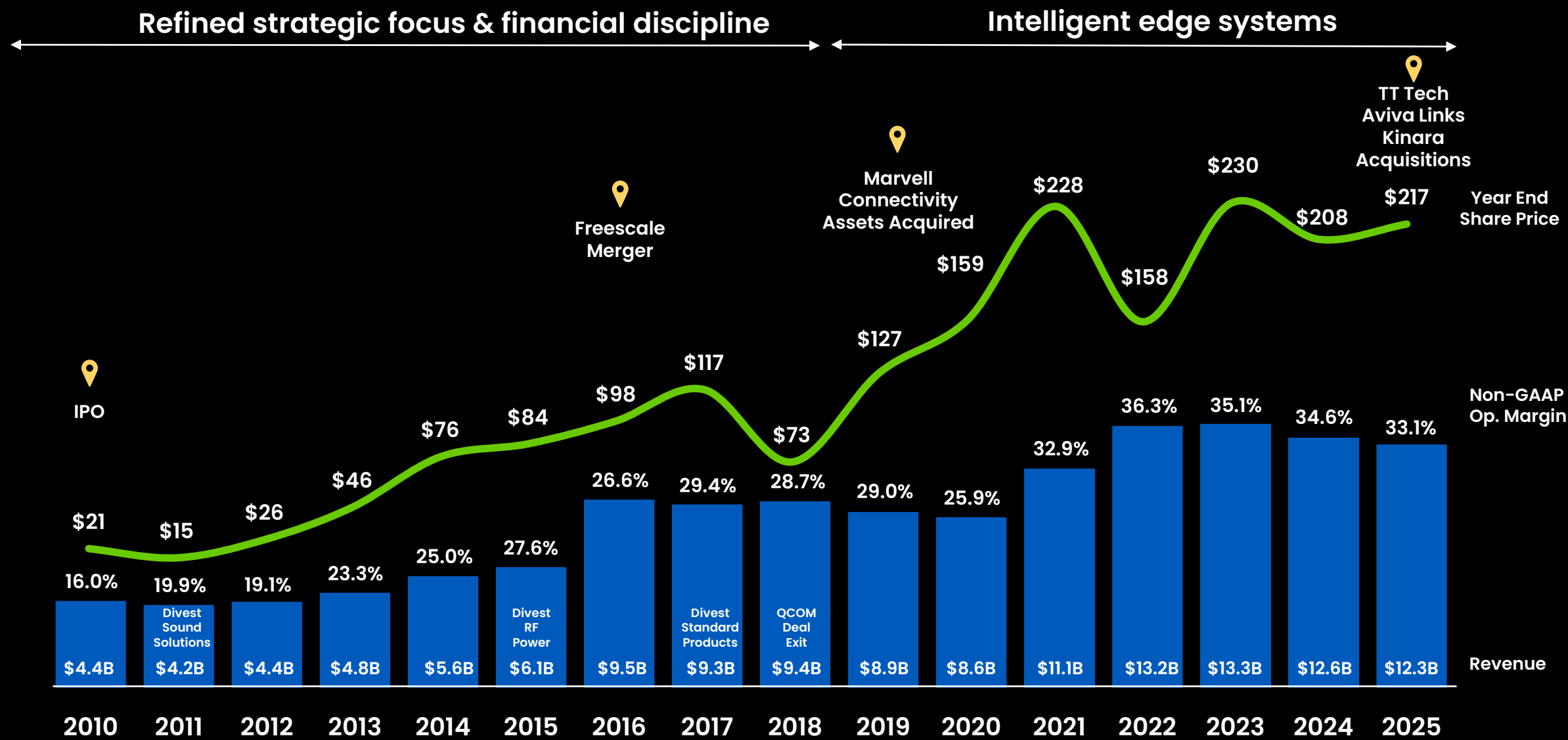
Hybrid manufacturing
Mix / NPI

**100% of Excess FCF
to Our Owners**

Hybrid manufacturing
RMS & system leadership

Doubling non-GAAP EPS by 2030+

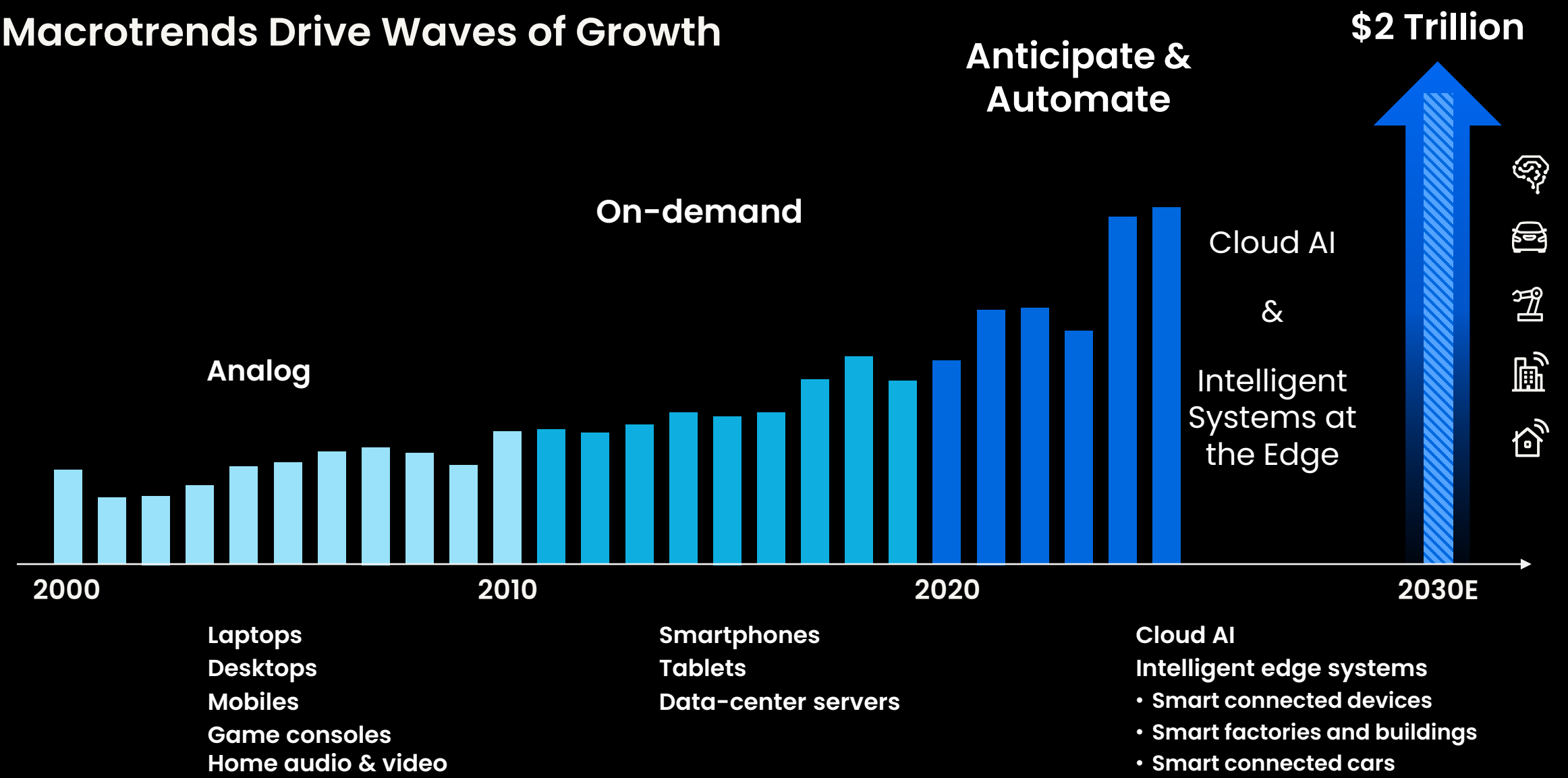
NXP, A History of Innovation and Value Creation



1. Reconciliations of non-GAAP measures to the most comparable measures calculated in accordance with GAAP are provided in the appendix to the presentation
2. Annual share price is the closing share price of NXPI in each full year period sourced from FactSet

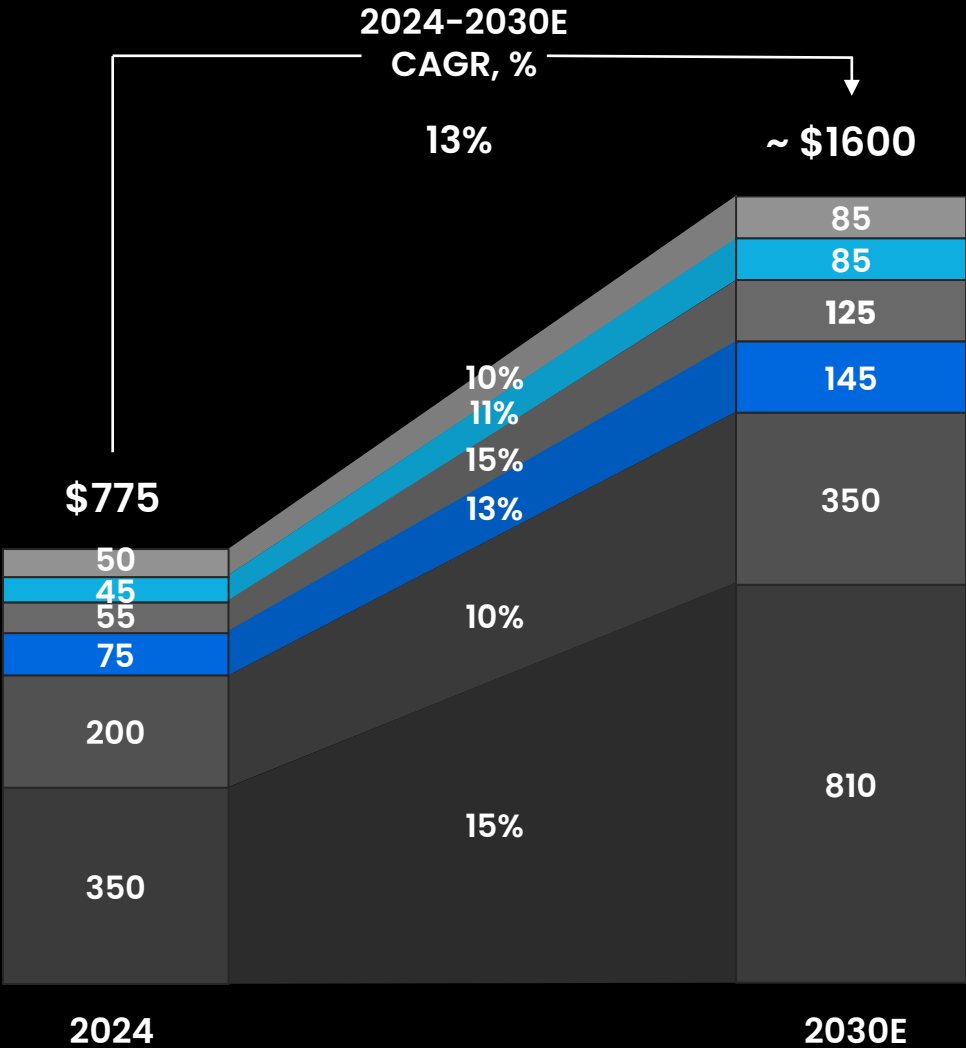
Total Semiconductor Market

Macrotrends Drive Waves of Growth

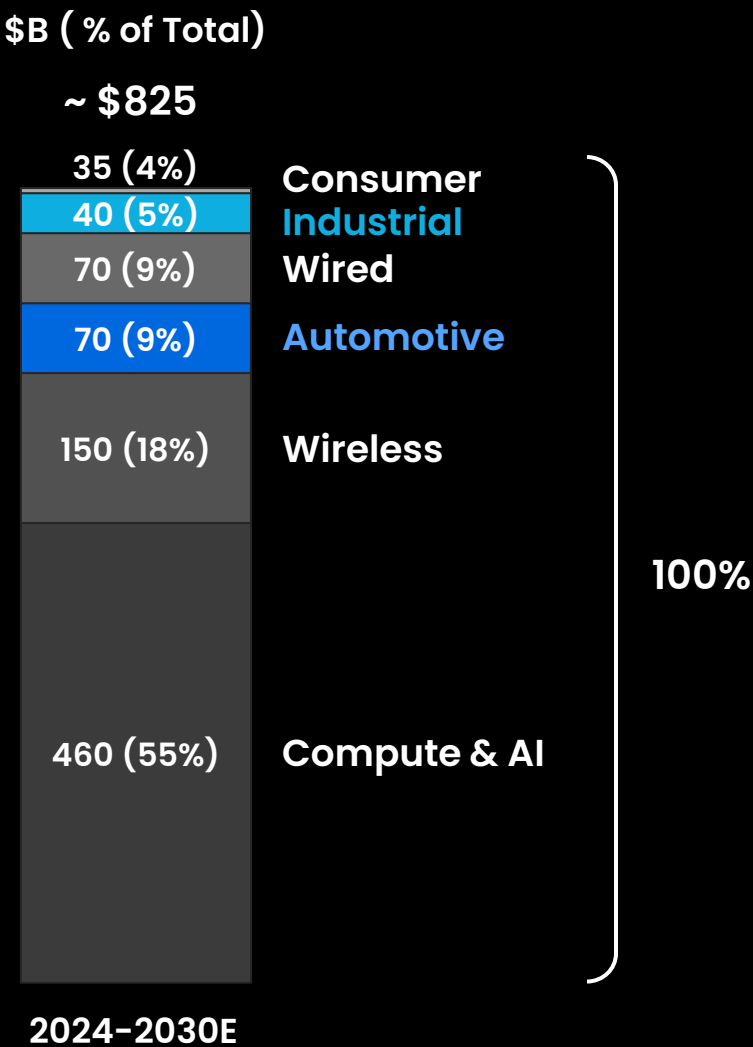


Auto & Industrial Growth at the Intelligent Edge Within a \$1.6T Opportunity

Global Semiconductor market value by vertical, \$billion



Growth contribution



NXP Uniquely Positioned to Bring Intelligent Systems to the Edge

Industry challenges

Ecosystem shifts

From supply chain to value network

Increasing complexity

Components to system-of-systems

Software-defined edge

From HW-to SW-defined solutions

Resilience & sustainability

Rising concerns & awareness



NXP's unique capability and response

Complete portfolio

Sensing

AI enabled processing

Actuation

Connectivity

Deep competence

Security leader

Functional safety leader

Automotive & industrial focus

Resilient & Sustainable

Hybrid manufacturing

Target carbon neutral by 2035

Simplifying

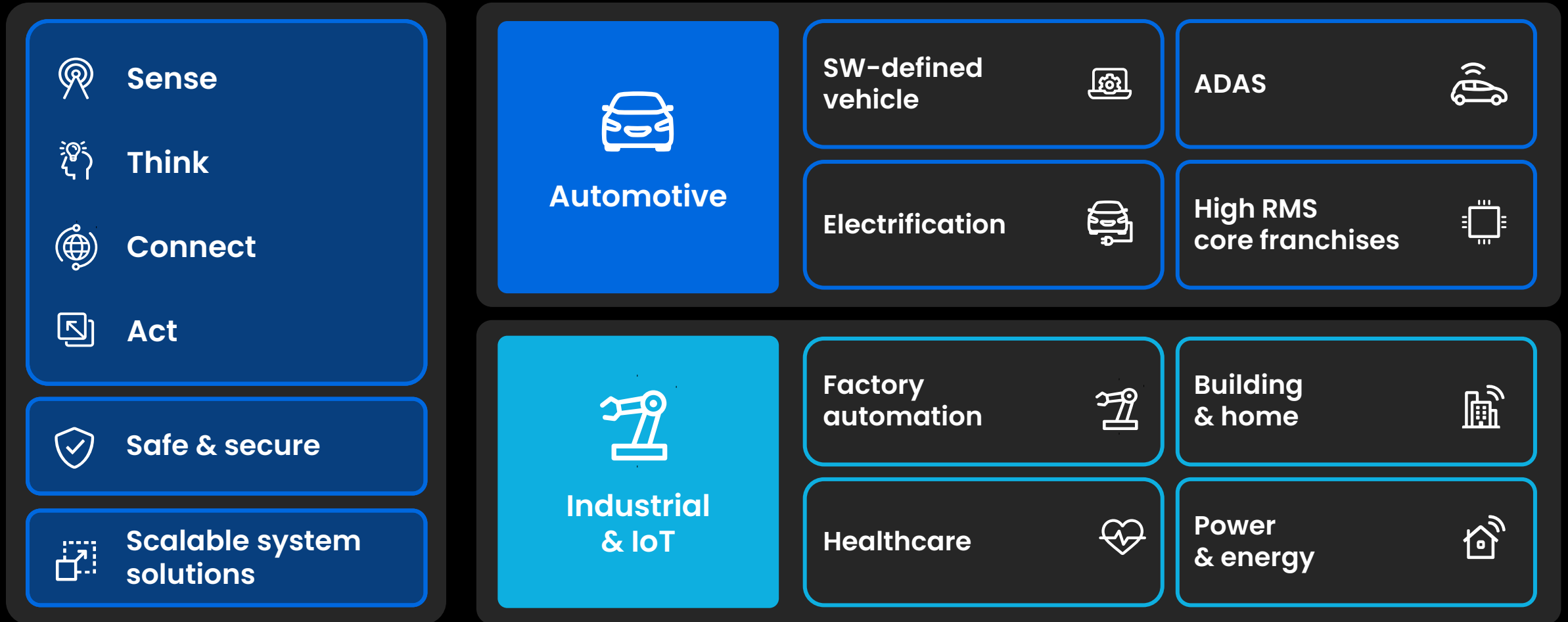
Scalable system solutions

Pre-integrated
software & hardware

Top OEMs & long-tail

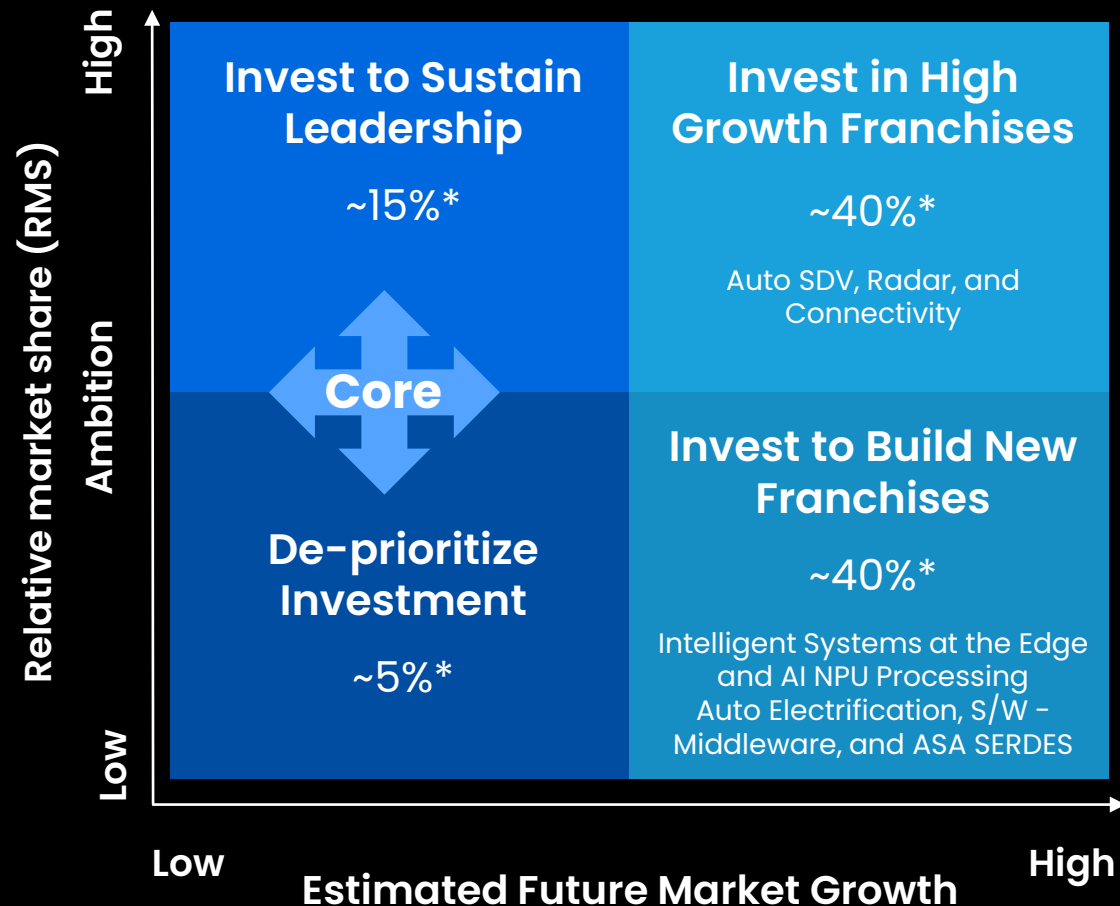
NXP

NXP Uniquely Positioned to Bring Intelligent Systems to the Edge

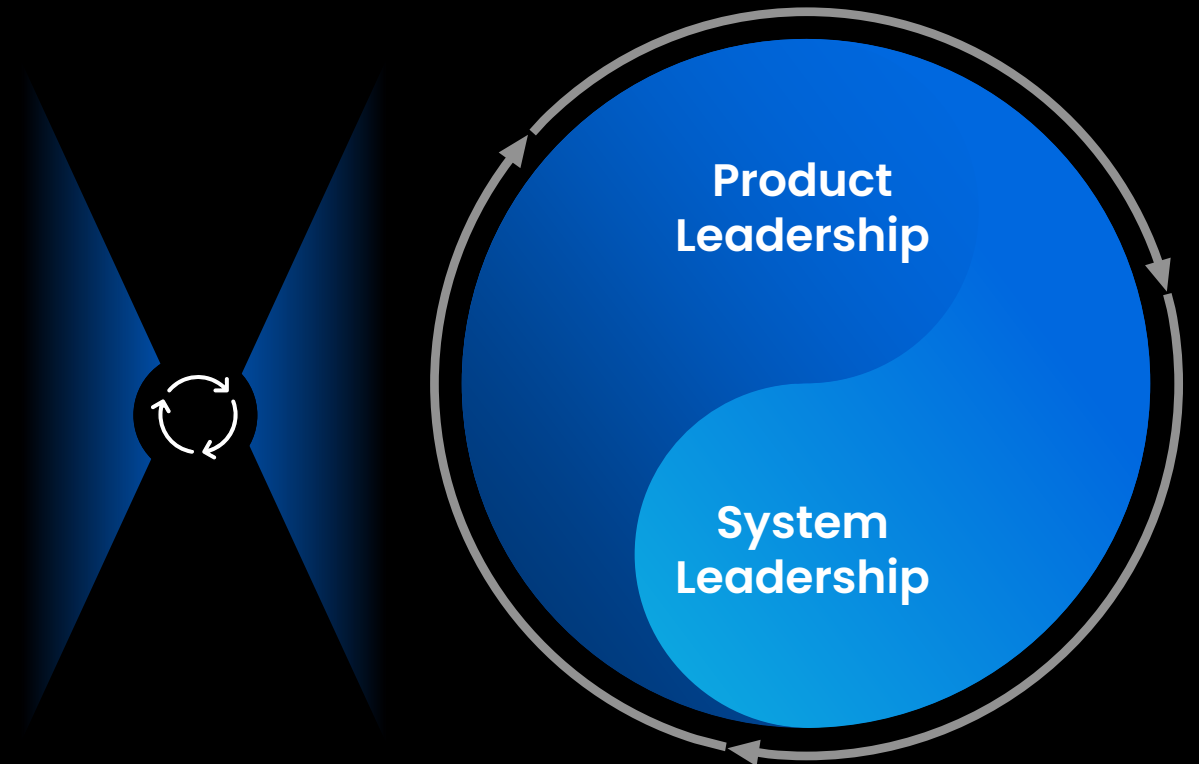


NXP Investment Compass to Focus on Profitable Growth

R&D Investment matrix
Focus R&D investment to achieve
RMS leadership and above market growth

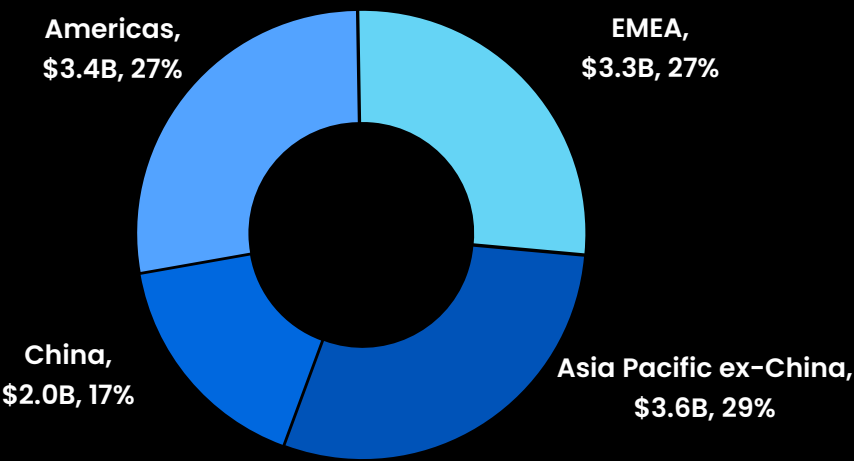


**Augmenting product leadership
with system leadership**

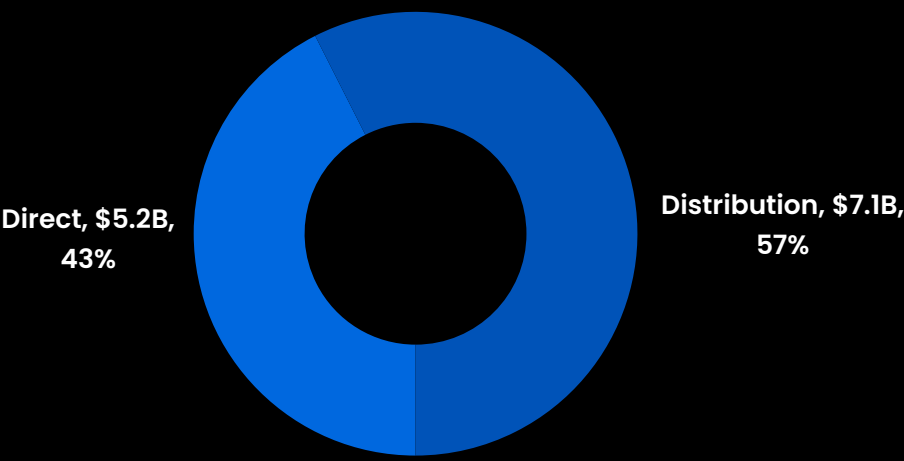


NXP Semiconductors – At a Glance

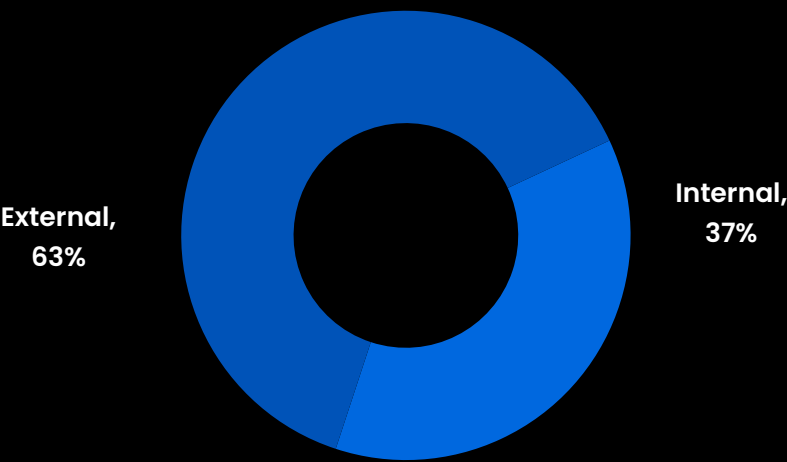
2025 Geographic Revenue by Headquarter-based by Region



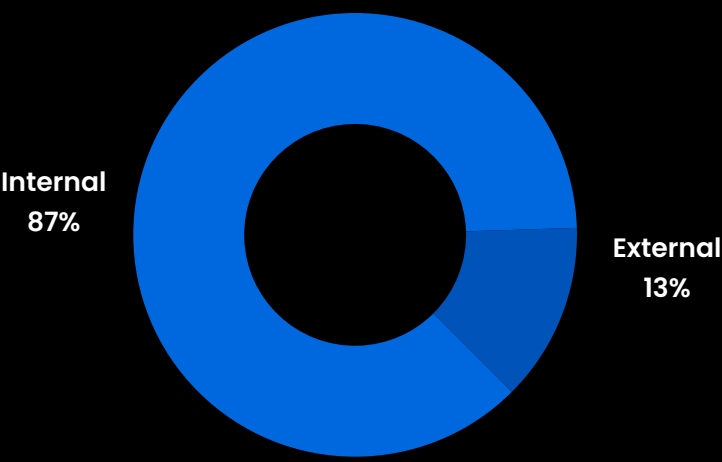
2025 Revenue by Channel



2025 Hybrid Manufacturing – Front-end Sourcing



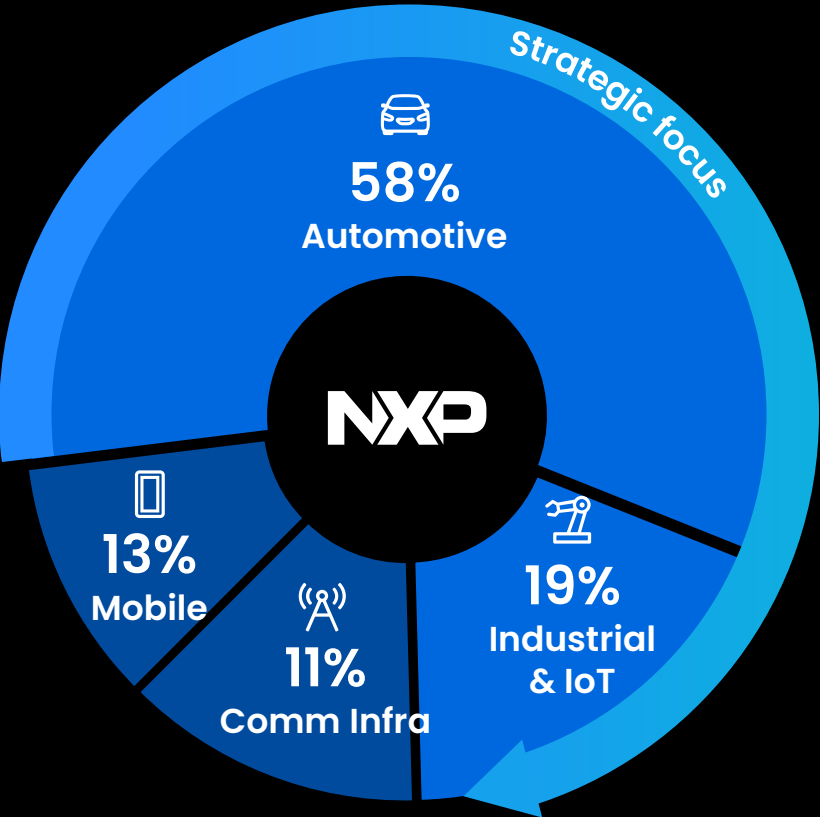
2025 Hybrid Manufacturing – Back-end Sourcing



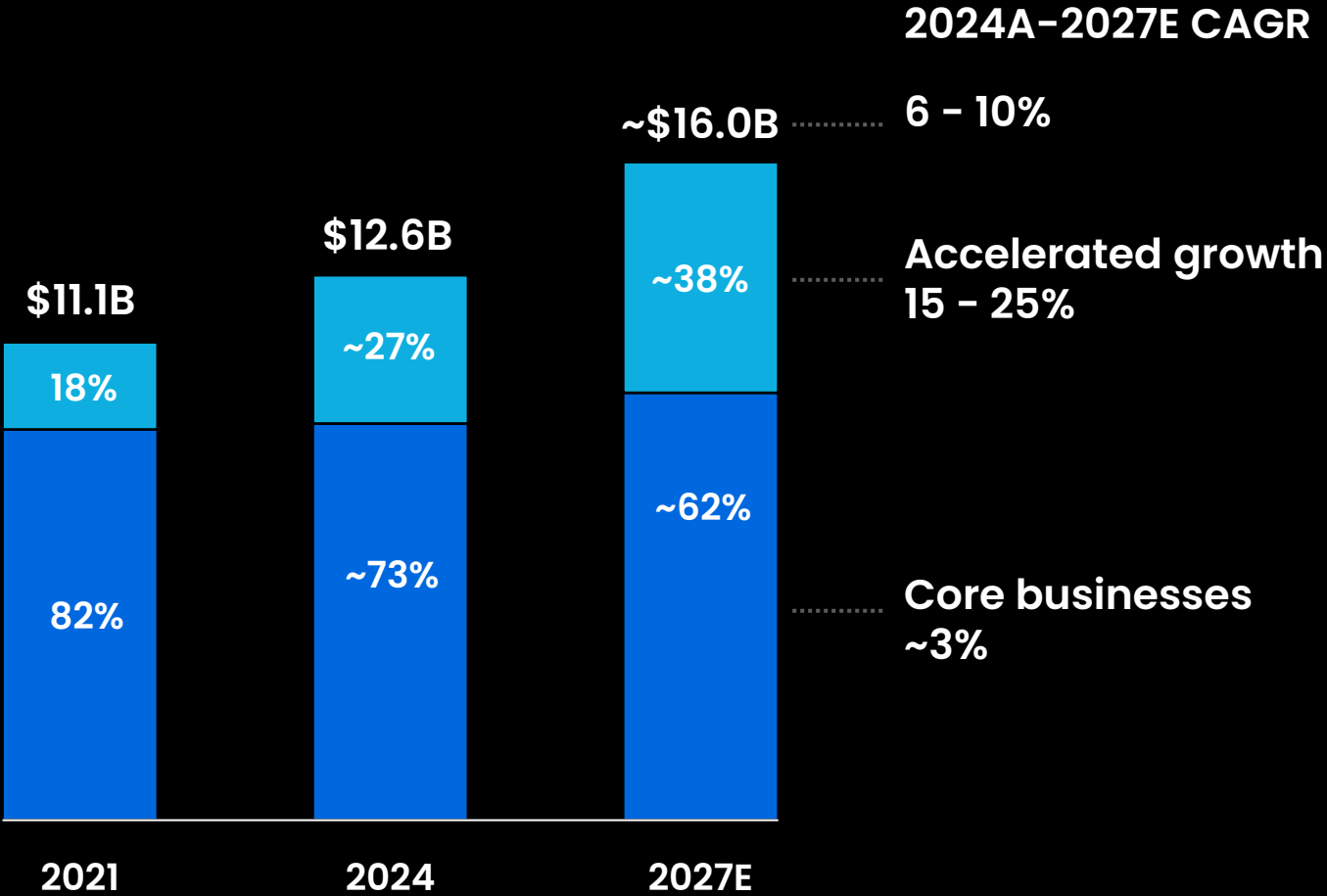
1. All data as of end 2025;
2. Revenue by Geographic Revenue Headquarter- based Region, and Channel from NXP Semiconductors 2025 Annual 10-K Report ;
3. Hybrid manufacturing reflects both internal and external sourcing for front-end and back-end manufacturing, presented as a percentage of revenue.

NXP Revenue Growth 2024 to 2027

2025 Revenue by end-market exposure

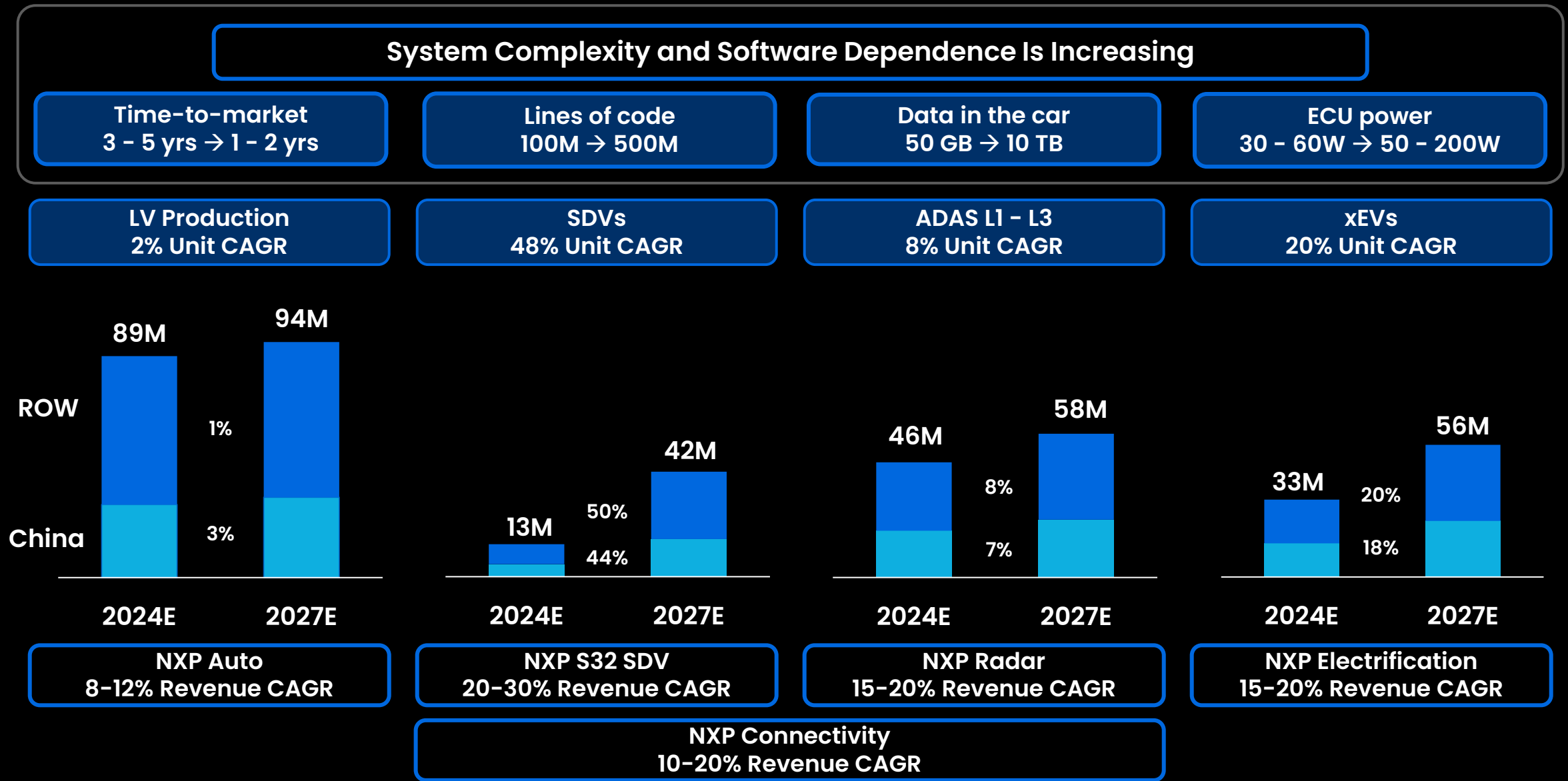


Revenue by business type



1. Reconciliations of non-GAAP measures to the most comparable measures calculated in accordance with GAAP are provided in the appendix to the presentation
2. The sum of the percentages shown may not add to 100% due to rounding

Automotive Megatrends Drive Mid-high Single Digit Content Growth



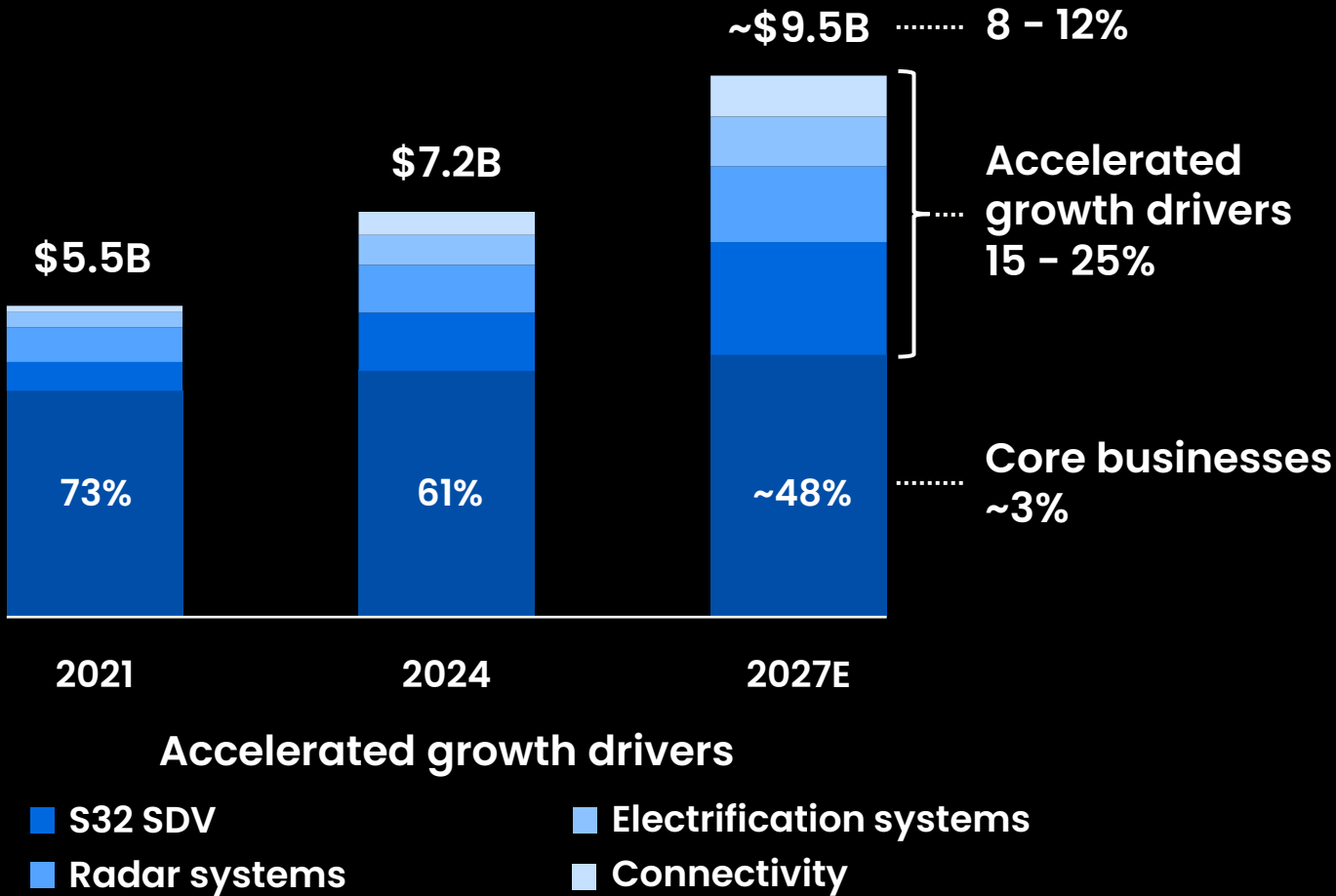
Automotive – Revenue Growth 2024 to 2027

Key assumptions

- SAAR**
Low single digit growth
- Pricing**
Low single digit erosion
- Content per vehicle**
Mid to high single digit growth
- Macro-environment**
GDP > 2.5% and PMI > 50
- Geo-politics**
Manufacturing regionalization
- Supply chain**
Normalized auto tier-1 inventory
Channel Inventory at 11 weeks

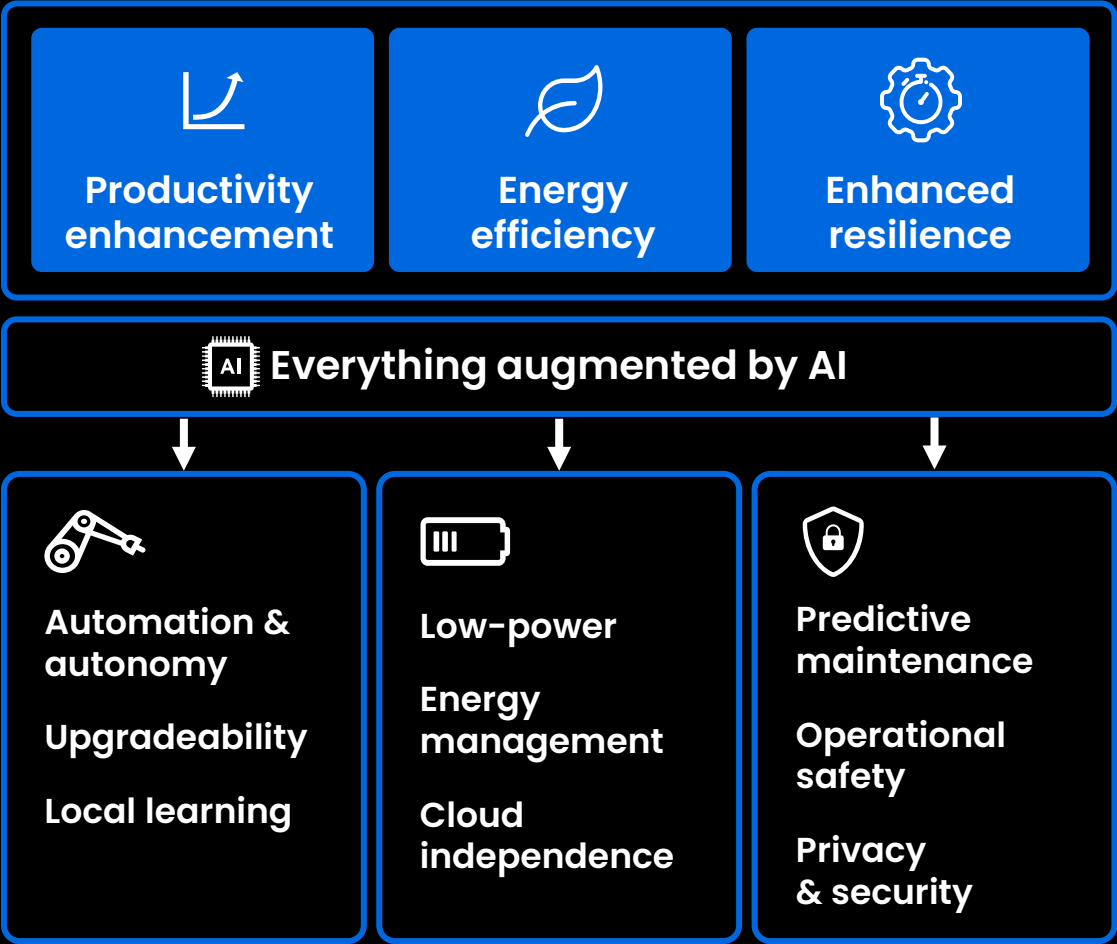
Revenue by business type

2024 – 2027E CAGR

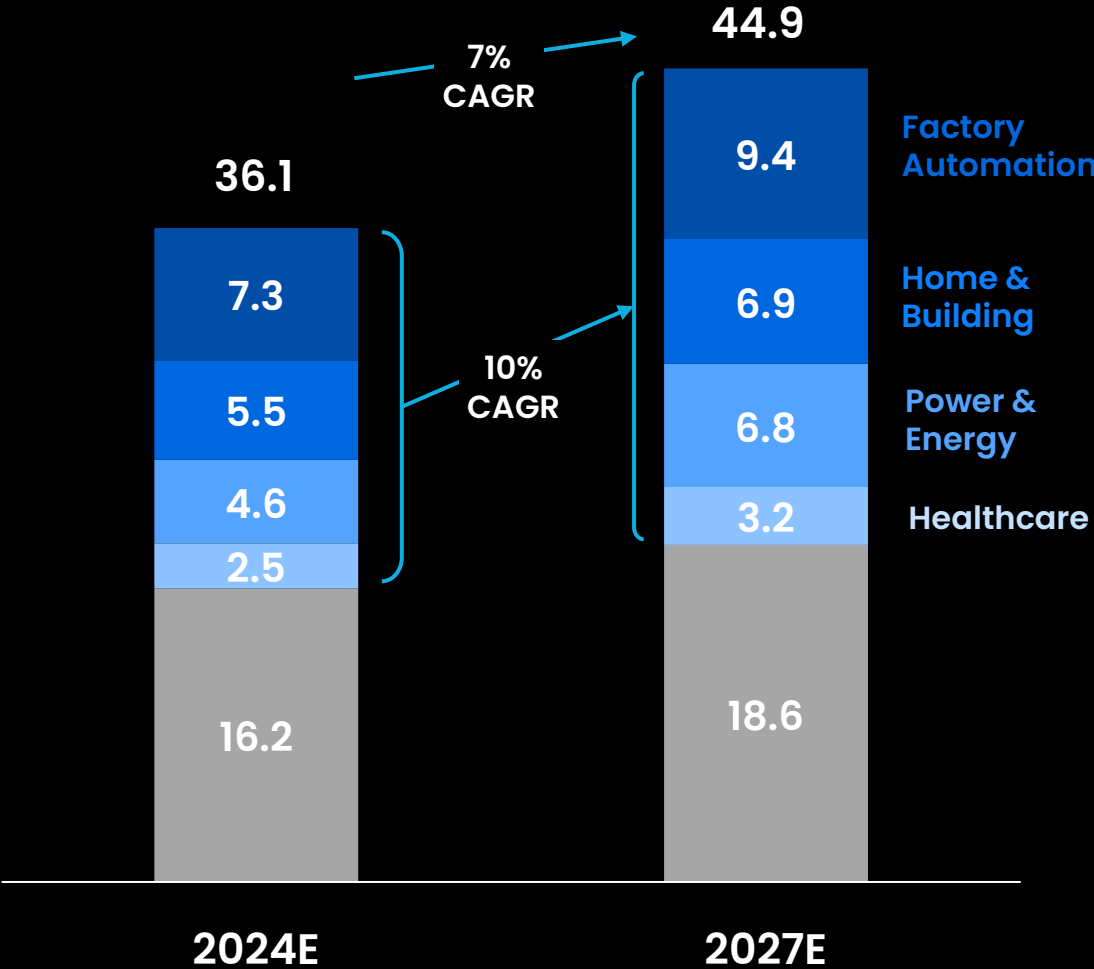


Intelligent Edge Systems Are Key to Create Efficiency and Sustainability

Megatrends driving an upgrade cycle



Industrial & IoT SAM (\$B)



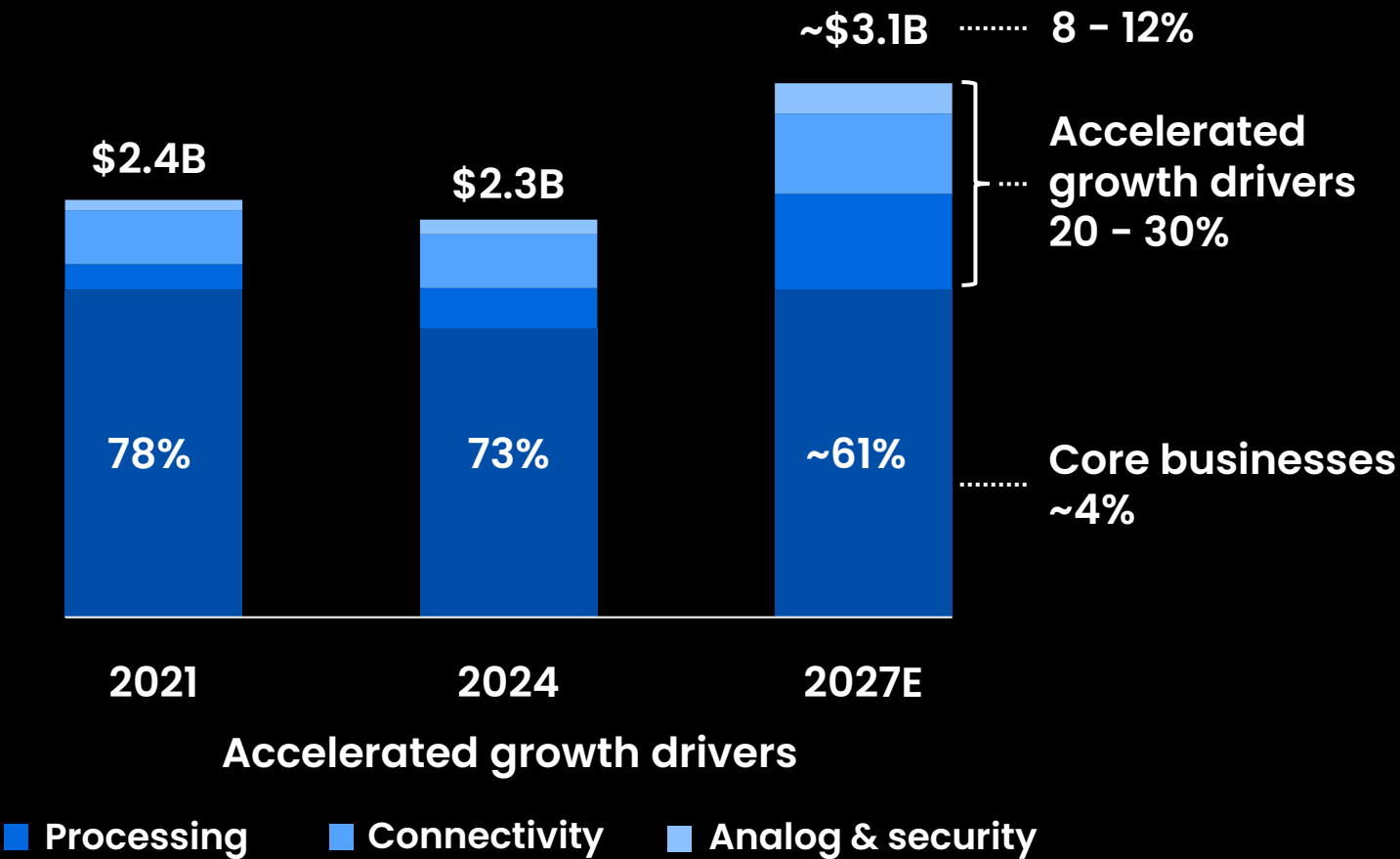
Industrial & IoT – Revenue Growth 2024 to 2027

Key assumptions

- Industrial & IoT SAM
7% CAGR (2024E-2027E)
- Macro-environment
GDP > 2.5% and PMI > 50
- Geo-politics
Manufacturing regionalization
- Supply chain
Channel Inventory at 11 weeks

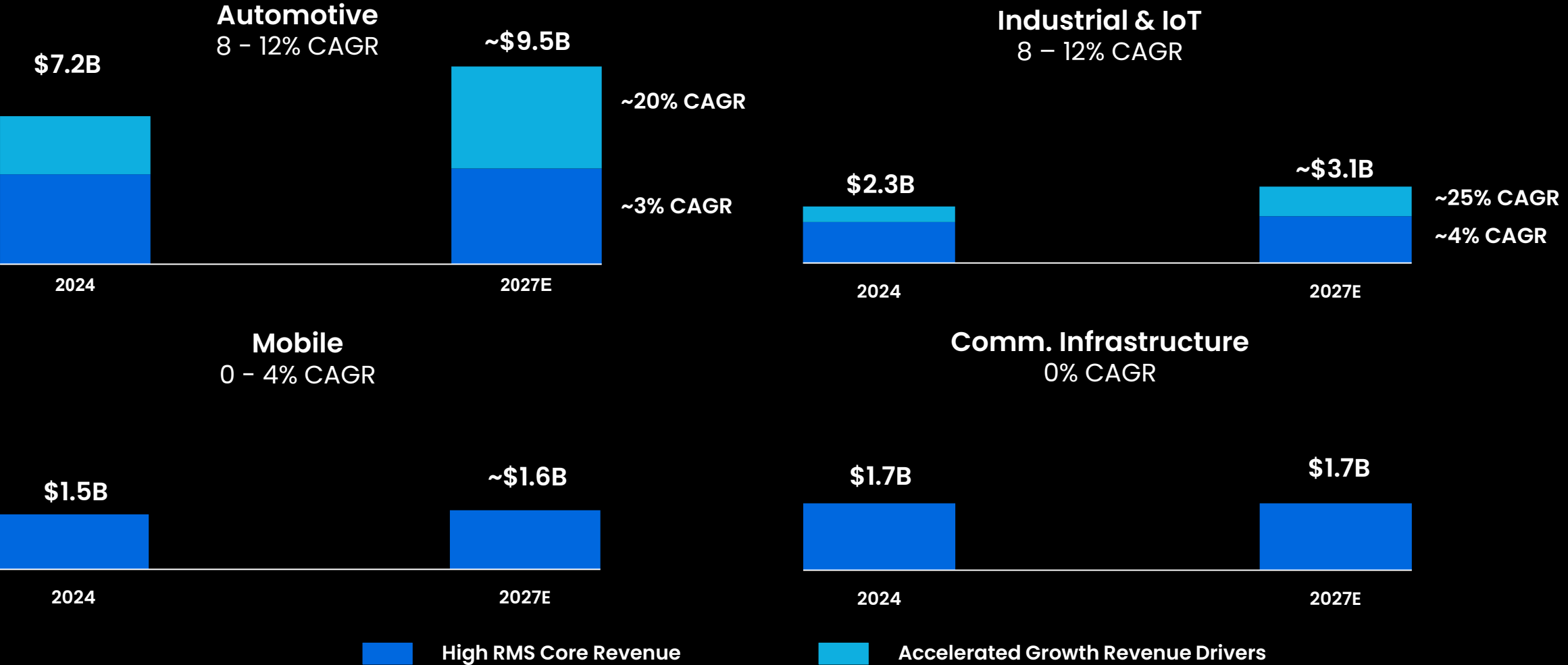
Revenue by business type

2024A – 2027E CAGR



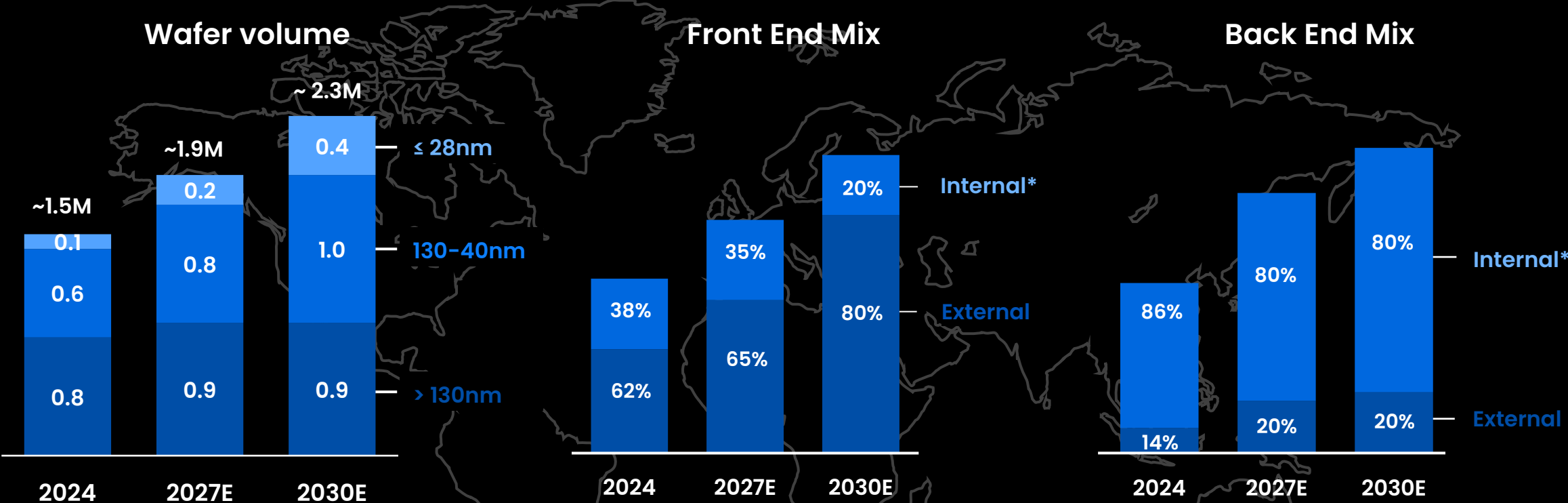
1. Reconciliations of non-GAAP measures to the most comparable measures calculated in accordance with GAAP are provided in the appendix to the presentation
2. NXP internal estimates.

Analyst Day 2024 Outlook: Accelerating Secular Profitable Revenue Growth



1. NXP Strategy Office, as of NXP Analyst Day November 2024
2. 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
3. All growth rates are 3-year CAGR based on 2024 actuals through 2027 estimates, as of NXP Analyst Day 2024
4. The sum of the percentages shown may not add to 100% due to rounding

Hybrid Manufacturing: Value Creation and Customer Enablement



Strategic investments
300mm fab investment
200mm fab consolidation
Internal A&T expansion
Drives gross margin expansion



Mitigate geo and market risk
Supply control via external & JV partnerships
Expand local manufacturing



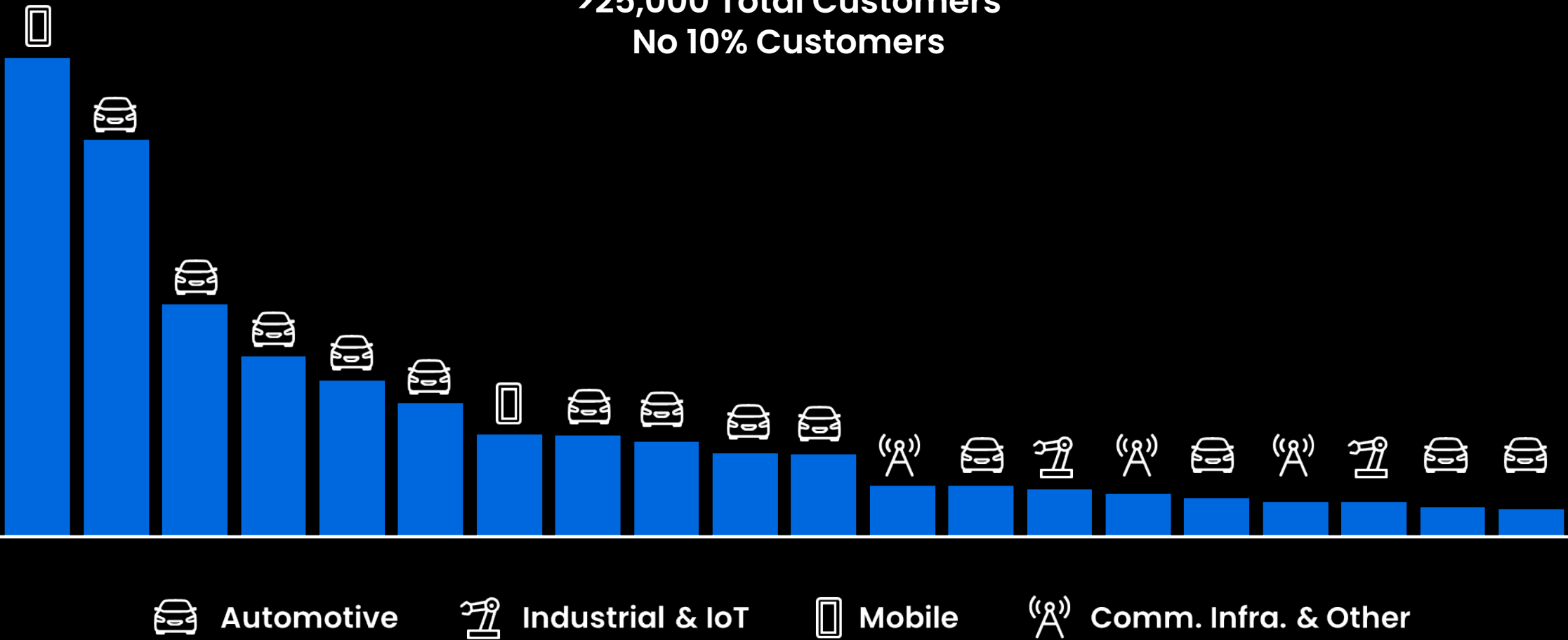
Supports long-term growth
Advanced tech nodes transition
Customer value: resilient, dependable, and scalable



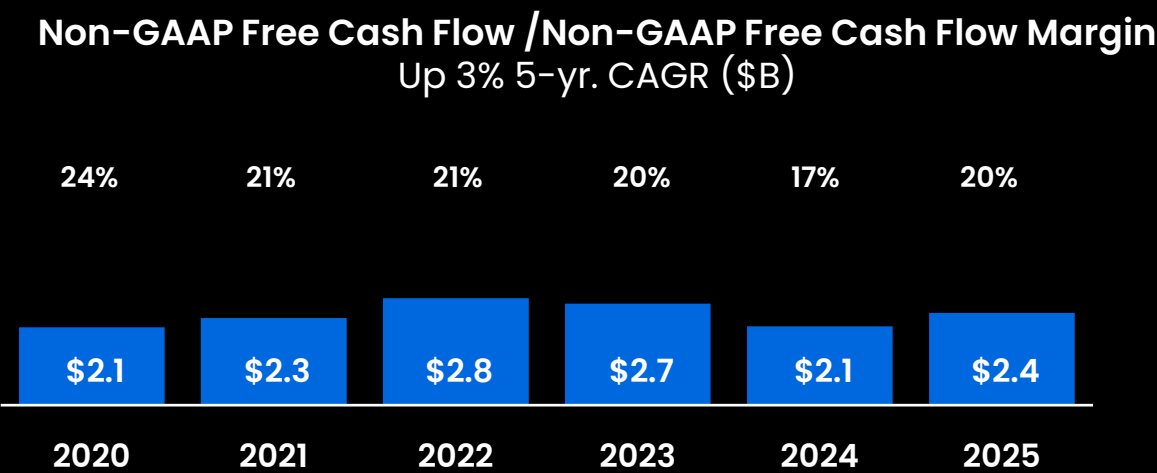
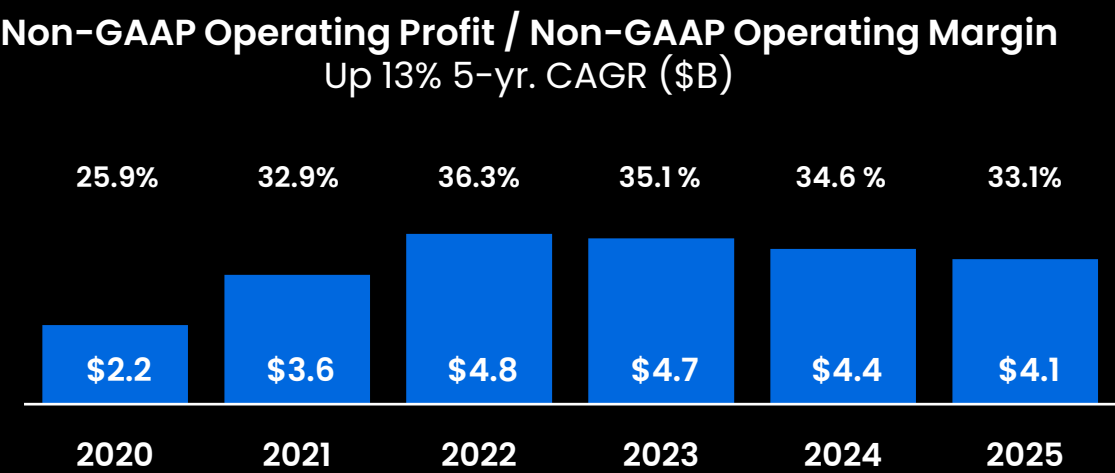
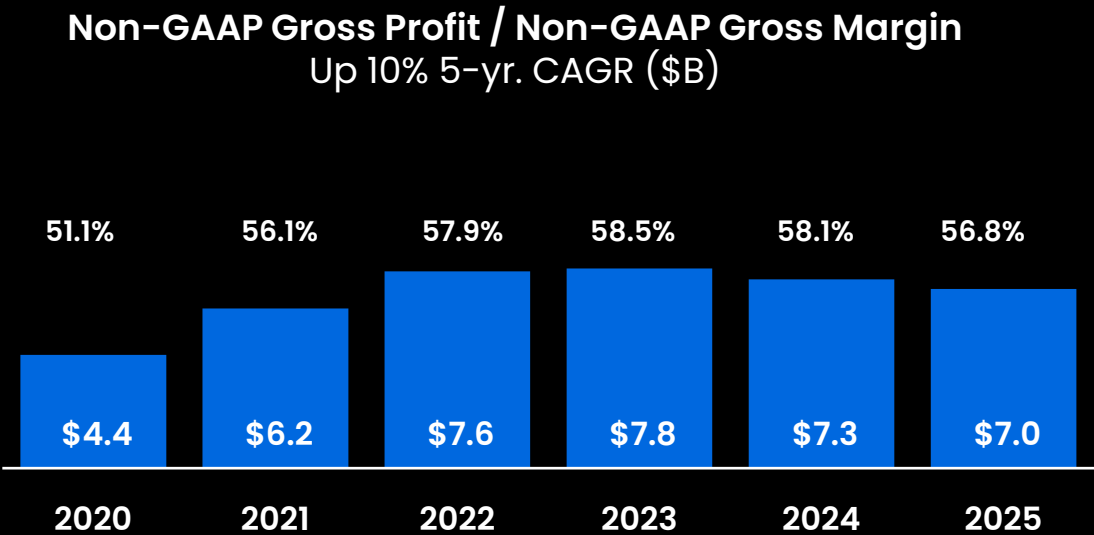
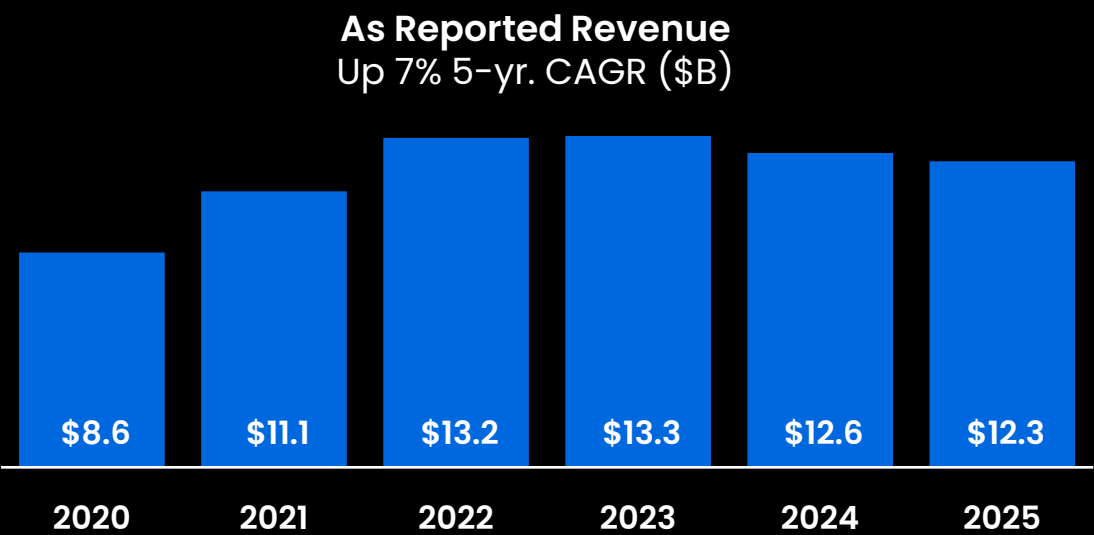
1. Wafer volume is in 300mm equivalents
2. Front Mix is a combination of internal sourcing and consolidated, majority owned joint ventures (SSMC)

Diverse End-Customer Base with High Barriers to Entry

Top 20 End-customers are less than 45% of 2025 Revenue
>25,000 Total Customers
No 10% Customers

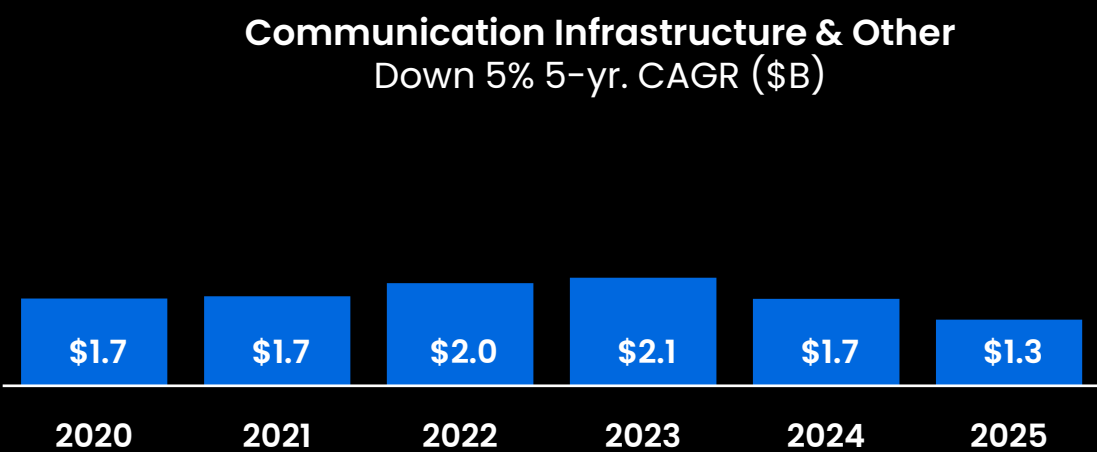
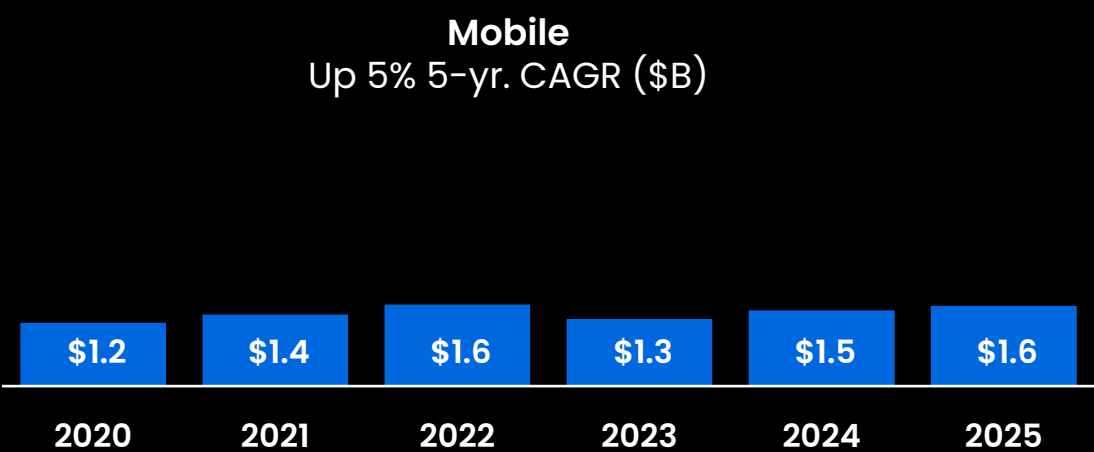
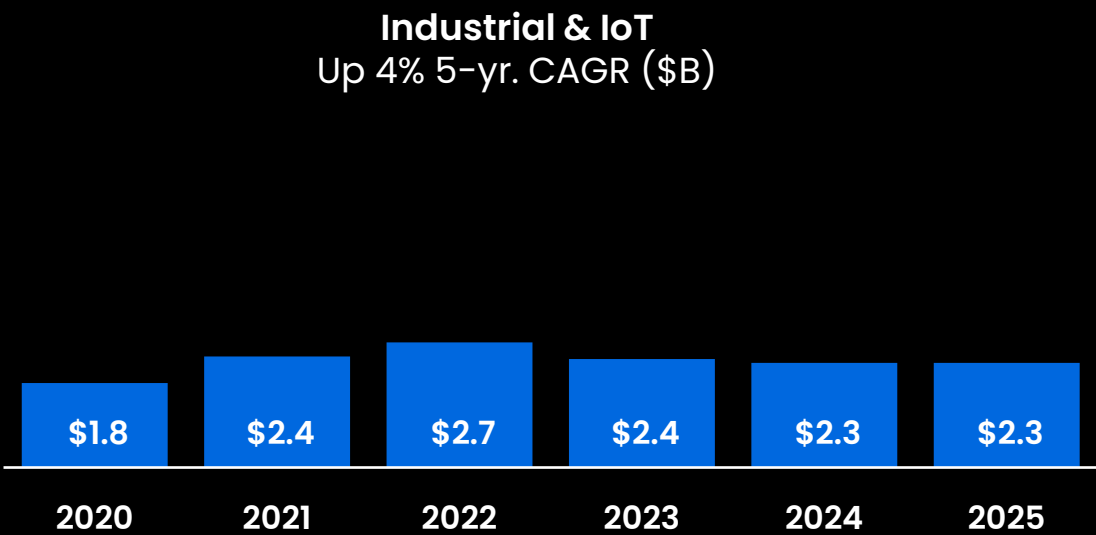
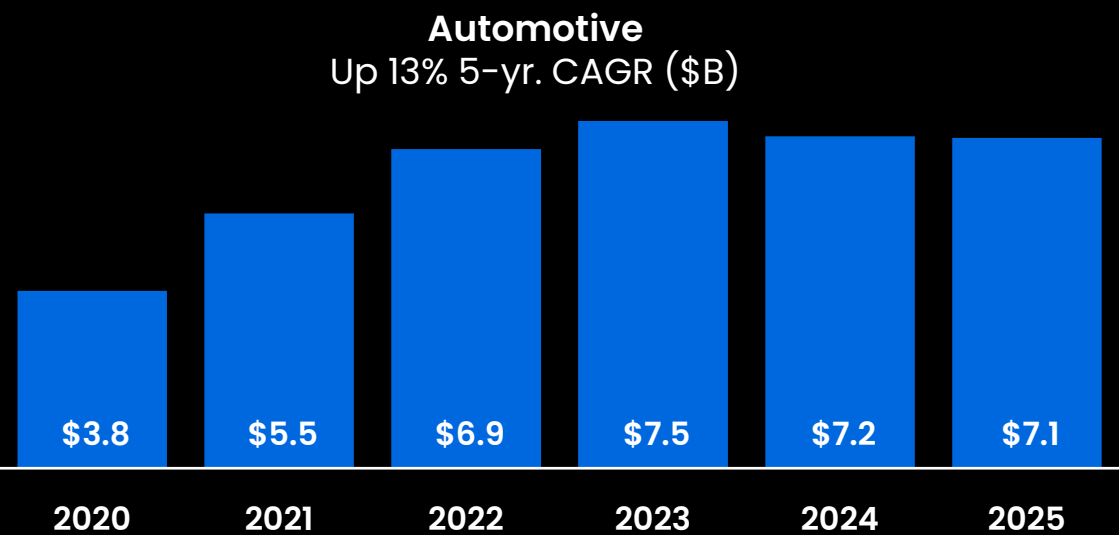


Driving Profitable Growth in Excess of Addressable Market

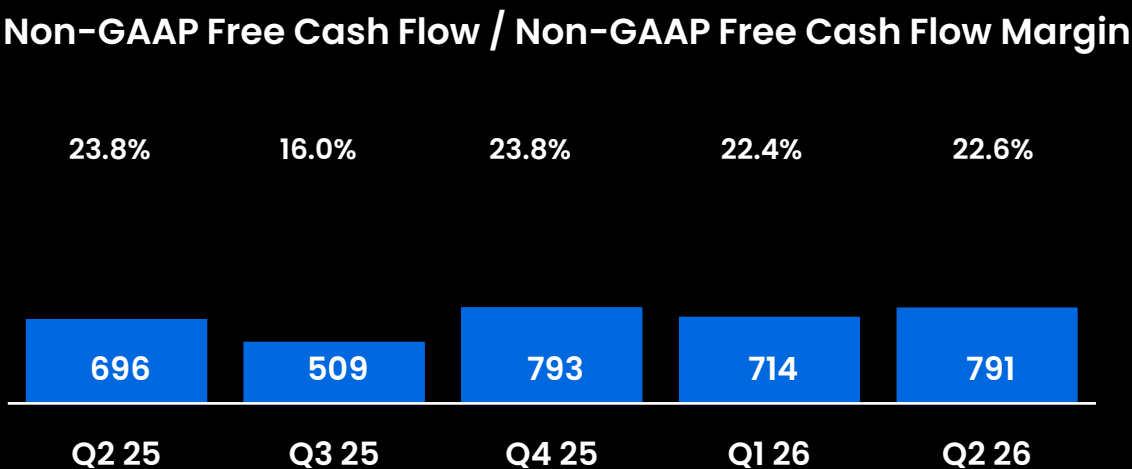
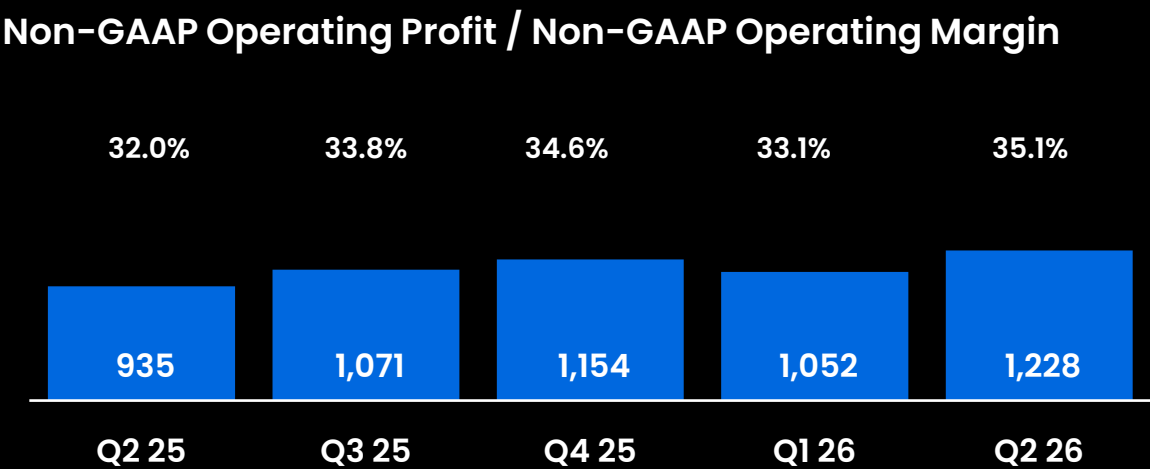
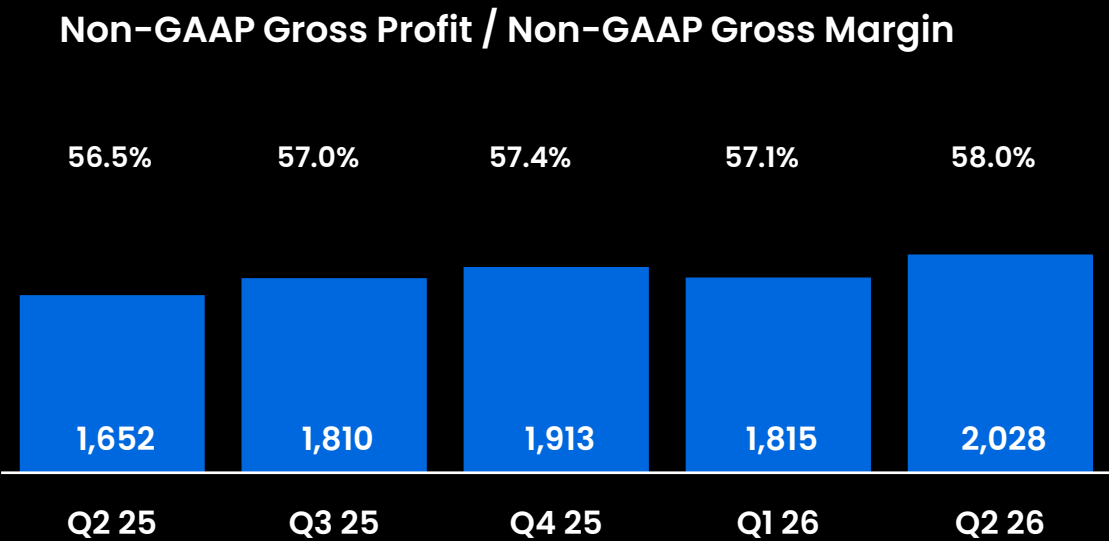
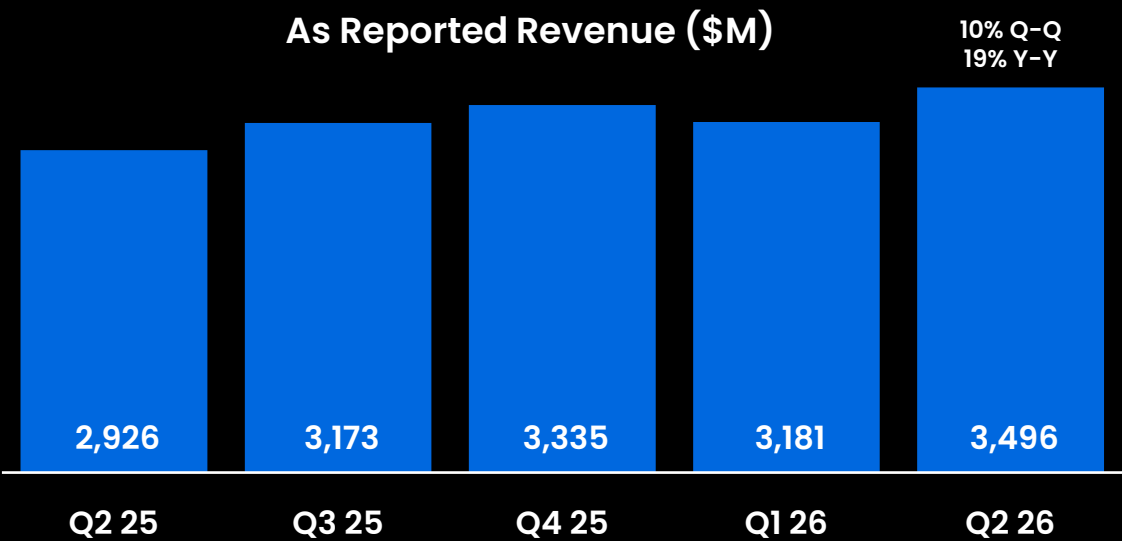


1. Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures
2. Gross Profit, Gross Margin, Operating Profit, Operating Margin, Free Cash Flow (FCF), are all non-GAAP figures, 5-yr. CAGR reflect the period 2020– 2025

Annual Revenue by End Market (\$B)



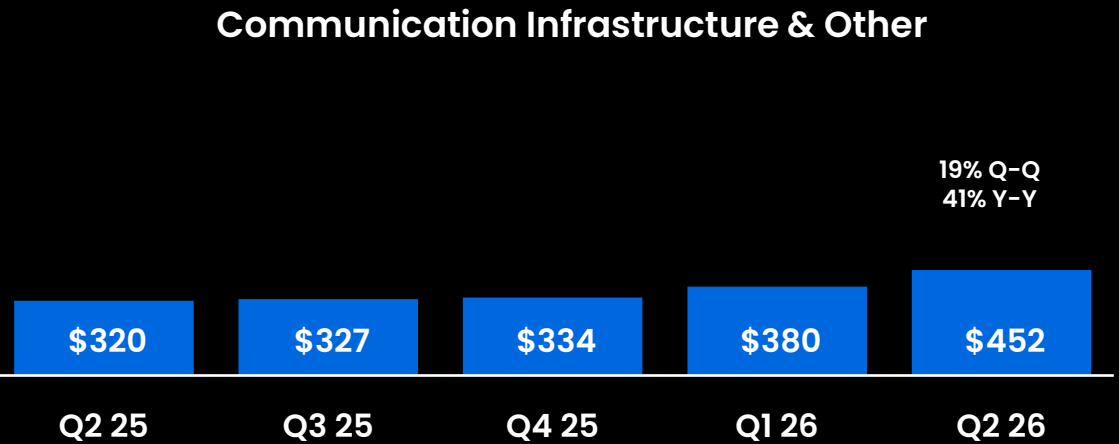
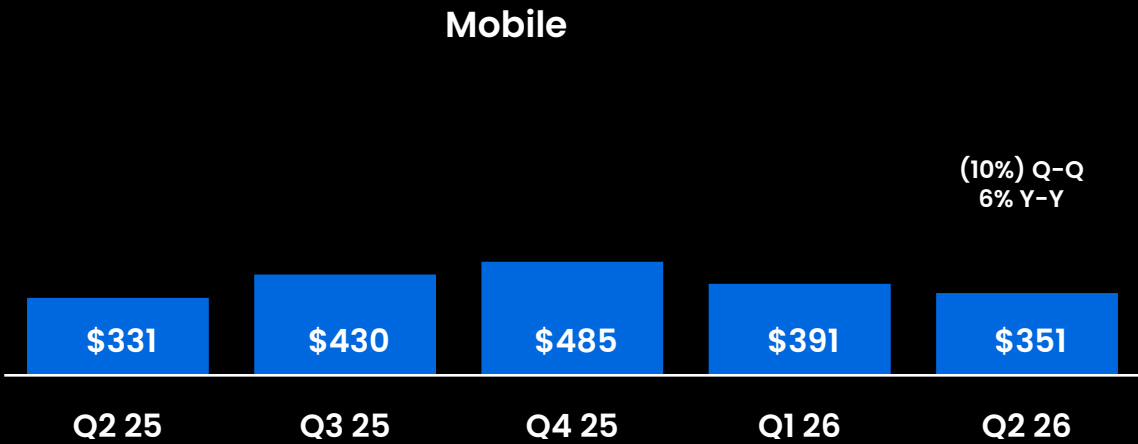
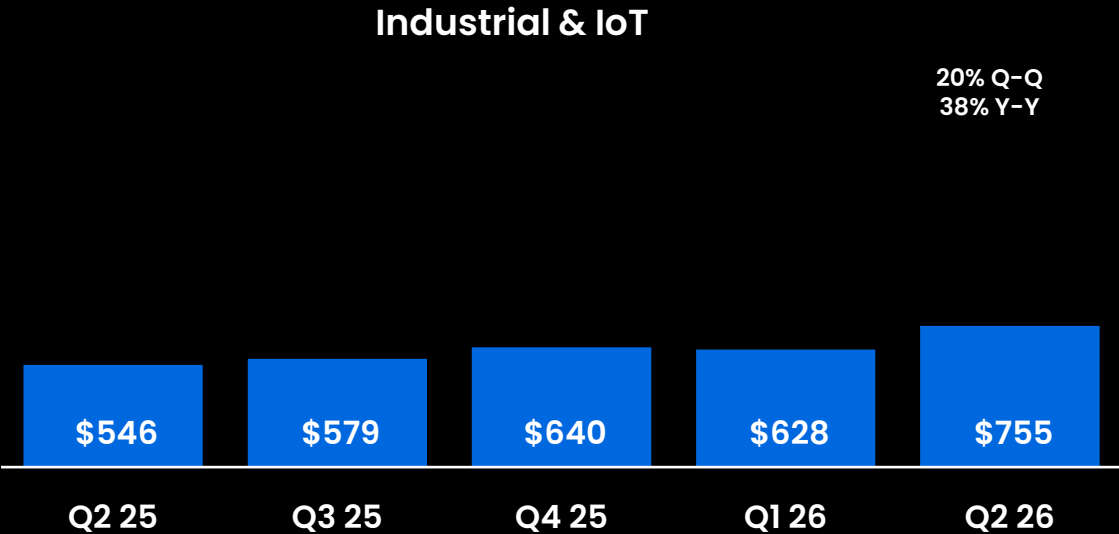
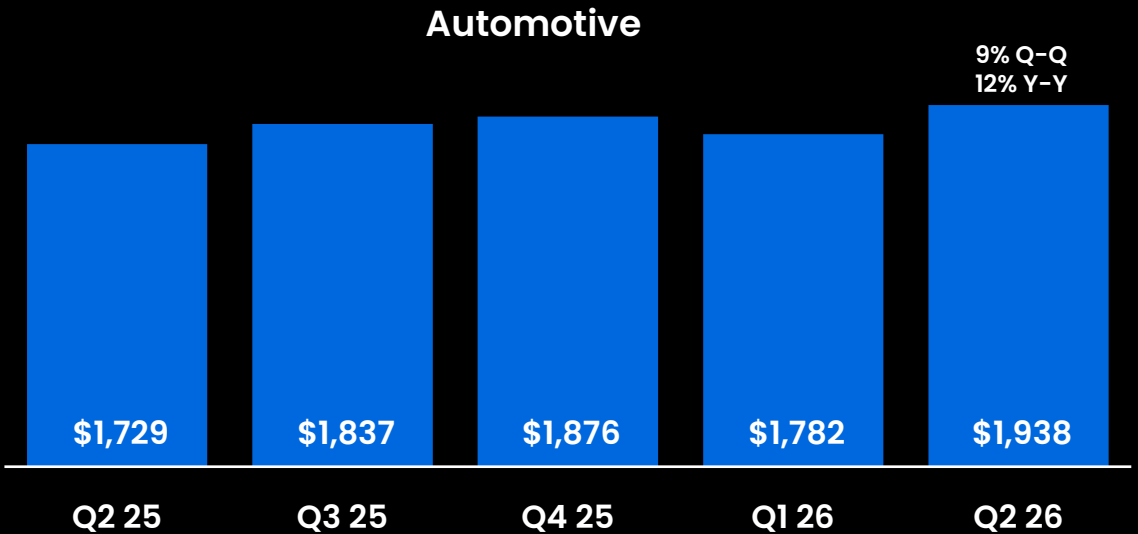
Recent Quarterly Business Trends



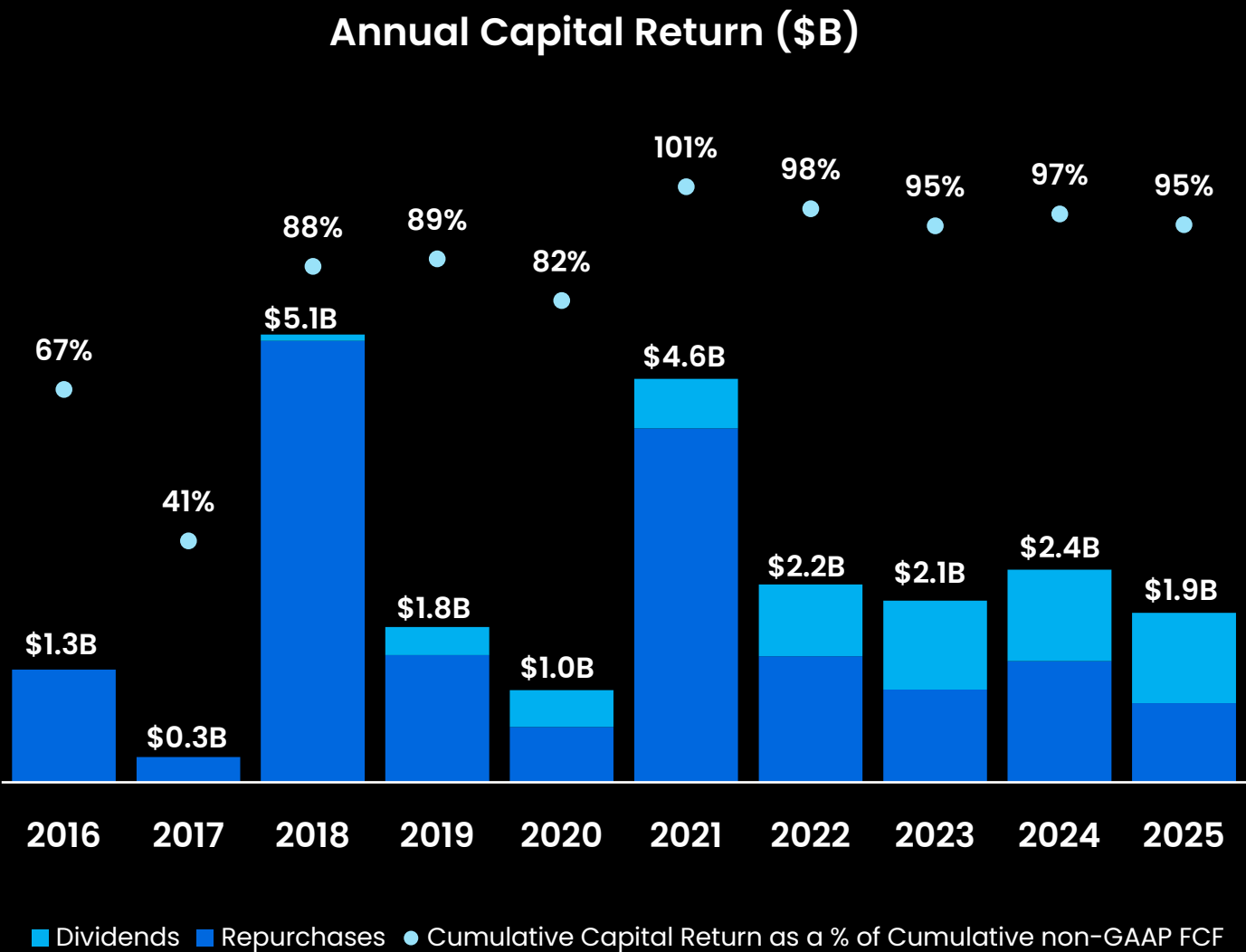
1. Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures

2. Gross Profit, Gross Margin, Operating Profit, Operating Margin, Free Cash Flow are all non-GAAP figures.

Quarterly Revenue by End Market (\$M)



A Robust Shareholder Centric Capital Return Policy



Capital Return Policy:

- Return All Excess non-GAAP FCF
- Target 25% Dividend Payout of CFO

Cumulative Capital Return 2016 – 2025:

- \$22.7B or 95% of non-GAAP FCF
- Capital Return Growth of 4% 10-Yr CAGR

Cumulative Repurchases 2016 – 2025:

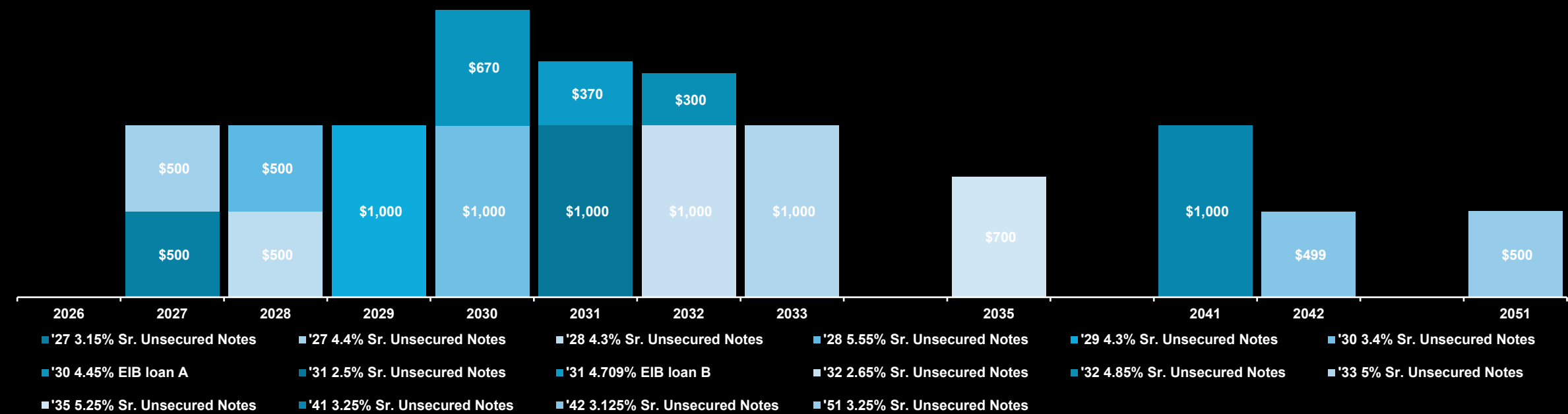
- \$17.4B or 77% of Capital Return
- 27% Reduction in Diluted Share Count

Cumulative Cash Dividends 2016 – 2025:

- \$5.3B or 23% of Capital Return

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. Non-GAAP Free Cash Flow (FCF), = Cash Flow from Operations less Net Capex

Debt Summary at the End of 2Q26



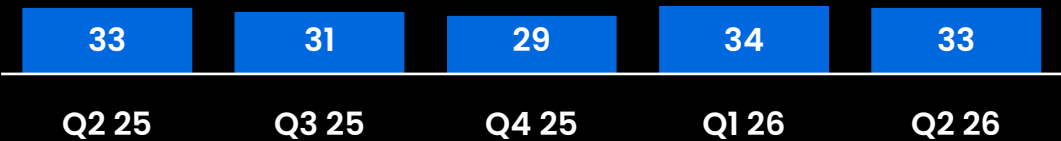
Total Leverage	2Q26
Book Value ST + LT Debt (\$M)	\$ 10,976
Cash and Equivalents + ST Deposits (\$M)	\$ 3,222
Net Debt (\$M)	\$ 7,754
TTM Adj. EBITDA	\$ 5,106
Average Cost ST & LT Debt	3.88%
Reported Gross Leverage	2.1X
Reported Net Leverage	1.5X
TTM Adj. EBITDA/TTM net Interest	15.0x

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

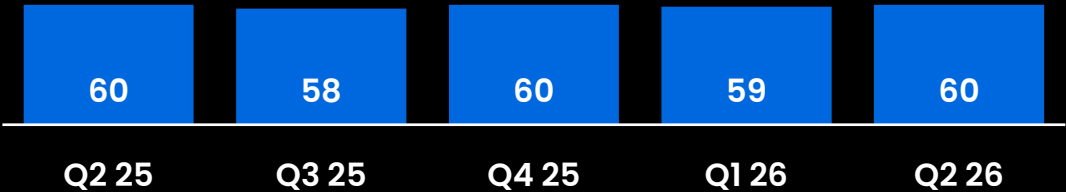
2. For the second quarter ended June 28, 2026, interest expense, net of (\$83) million is comprised of interest expense of (\$112) million, less interest income of \$29 million. Interest expense, net is a component of Financial income (expense) of (\$97) million as reported in the NXP Historic Financial Model file found on the Financial Information page.

Working Capital Ratios (Days)

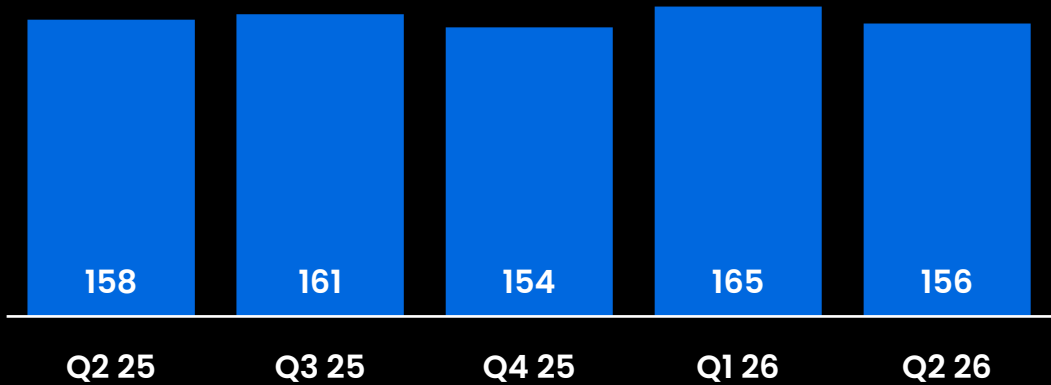
DSO



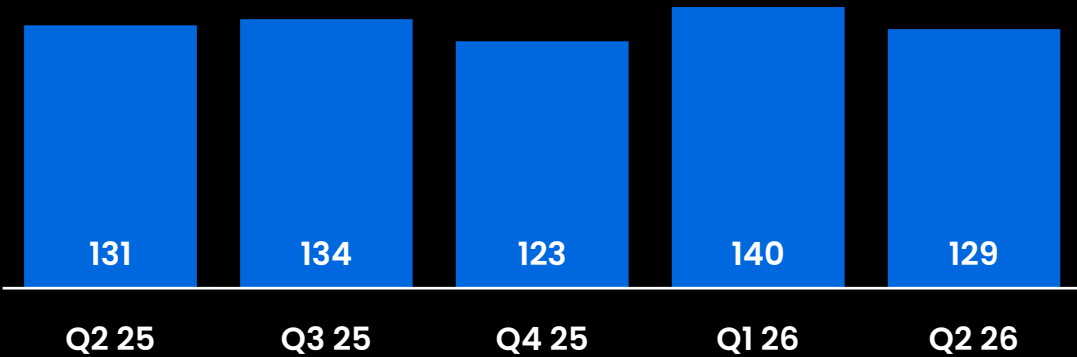
DPO



DIO



Cash Conversion Cycle



$$\text{DSO} = (91.25 \times \text{AR}) / \text{Revenue}$$
$$\text{DPO} = (91.25 \times \text{AP}) / \text{COGS}$$

$$\text{DIO} = (91.25 \times \text{Inventory}) / \text{COGS}$$
$$\text{Cash Conversion Cycle} = \text{DIO} + \text{DSO} - \text{DPO}$$

1. Prior to Q2 25, working capital ratios excluded the effect of purchase price accounting amortization on GAAP COGS. Beginning in Q2 2025, we use GAAP COGS without this adjustment. The impact of this change is immaterial to historical periods presented, which are shown as originally reported.

2. 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.

Financial Model: P&L

	Investor Day 2021	2024A	Investor Day 2024
NXP Growth	+8 to 12% (3 yr. CAGR)	4.5% (3 yr. CAGR)	+6 to 10% (3 yr. CAGR)
<i>Channel Inventory</i>	<i>~11 wks.</i>	<i>8 wks.</i>	<i>~11 wks.</i>
Non-GAAP Gross Margin %	55 to 58%	58.1%	57 to 63%
<i>Non-GAAP R&D (% of Rev)</i>	<i>~16%</i>	<i>16.3%</i>	<i>~16%</i>
<i>Non-GAAP SG&A (% of Rev)</i>	<i>~7%</i>	<i>7.2%</i>	<i>~7%</i>
Non-GAAP Operating Margin %	32 to 36%	34.6%	34 to 40%
<i>Non-GAAP EAETR %</i>	<i>~15% - 18%</i>	<i>16.8%</i>	<i>17% - 18%</i>
<i>Non-controlling Interest (SSMC)</i>	<i>(\$35M to \$45M)</i>	<i>(\$32M)</i>	<i>(\$25M to \$35M)</i>
<i>Equity-accounted Investees (Loss)/Gain related to ESMC + VSMC Mfg. JV</i>	<i>–</i>	<i>–</i>	<i>~(\$200M)⁽²⁵⁻²⁷⁾</i>

Source and Use of Cash Model

	Investor Day 2021	2024A	Investor Day 2024
Non-GAAP Free-cash Flow	25% of Rev	19.5% of Rev (CUM '22 to '24)	> 25% of Rev
<i>DSO</i>	<i>~30</i>	<i>30</i> (4Q24A)	<i>~30</i>
<i>DPO</i>	<i>~75</i>	<i>65</i> (4Q24A)	<i>~75</i>
<i>DIO</i>	<i>~95</i>	<i>151</i> (4Q24A)	<i>~110</i>
<i>Capacity Access Fee (VSMC)</i>	<i>N/A</i>	<i>\$275M</i>	<i>\$800M</i>
Net Capex % of Revenue	6 to 8%	6.6% (CUM '22 to '24)	< 5%
<i>SBC</i>	<i>\$380M - \$440M</i>	<i>\$461M / 3.7% of Rev</i> (2024)	<i>~3% of Rev</i>
Equity Investments (ESMC/VSMC)	N/A	\$220M (2024)	~\$1.7B
<i>Dividend</i> (% CF from Ops.)	<i>~25%</i>	<i>28.1%</i> (CUM 22 to 24)	<i>~25%</i>
<i>Buyback</i> (Buy < Net Leverage 2.0x)	<i>< 2.0x</i>	<i>\$3.9B</i> (CUM 22 to 24)	<i>< 2.0x</i>
Capital Return % of FCF	100%	\$6.7B / 88.2% (CUM 22 to 24)	100%

Guidance for the Third Quarter of 2026

	<u>GAAP</u>			<u>Reconciliation</u>	<u>Non-GAAP</u>		
	<u>Low</u>	<u>Mid</u>	<u>High</u>		<u>Low</u>	<u>Mid</u>	<u>High</u>
Total Revenue	3,650	3,750	3,850		3,650	3,750	3,850
Q-Q	4%	7%	10%		4%	7%	10%
Y-Y	15%	18%	21%		15%	18%	21%
Gross Profit	2,093	2,171	2,248	(24)	2,117	2,195	2,272
Gross Margin	57.3%	57.9%	58.4%		58.0%	58.5%	59.0%
Operating Income (loss)	1,137	1,205	1,272	(177)	1,314	1,382	1,449
Operating Margin	31.2%	32.1%	33.0%		36.0%	36.9%	37.6%
Financial income (expense)	(95)	(95)	(95)	(10)	(85)	(85)	(85)
Tax rate	19.2% - 20.2%				17.5% - 18.5%		
Equity-accounted investees	(6)	(6)	(6)	(1)	(5)	(5)	(5)
Non-controlling interests	(15)	(15)	(15)	-	(15)	(15)	(15)
Shares	254.0	254.0	254.0		254.0	254.0	254.0
Earnings per share - diluted	3.21	3.43	3.64		3.89	4.11	4.32

1. GAAP Gross Profit is expected to include Purchase Price Accounting ("PPA") effects, \$(5) million; Share-based Compensation, \$(14) million; Other Incidentals, \$(5) million;
2. GAAP Operating Income (loss) is expected to include PPA effects, \$(36) million; Share-based Compensation, \$(115) million; Restructuring and Other Incidentals, \$(26) million;
3. GAAP Financial Income (expense) is expected to include Other financial expense \$(10) million;
4. GAAP Results relating to equity-accounted investees is expected to include results relating to non-foundry equity-accounted investees \$(1) million;
5. GAAP diluted EPS is expected to include the adjustments noted above for PPA effects, Share-based Compensation, Restructuring and Other Incidentals in
6. GAAP Operating Income (loss), the adjustment for Other financial expense, the adjustment for results relating to non-foundry equity-accounted investees and the adjustment on Tax due to the earlier mentioned adjustments.

NXP Sustainability Mission

	Strategy	Guiding principles	Goals
 Innovation	Innovate advancements that enable a better, safer, more secure and more sustainable world	Push boundaries and explore new approaches to develop innovative and sustainable products and solutions	Design and develop manufacturing technologies that positively impact the planet and society; develop higher-performing, more energy-efficient products
 Environmental	Optimize our use of resources and impacts associated with our operations	Pursue continual improvements to use resources efficiently and responsibly	Carbon neutral by 2035; 55% Scope 1 & 2 reduction by 2030; 35% Scope 3 reduction by 2033; 35% Scope 1 & 2 reduction, 50% renewable electricity, 60% water recycled and 90% waste recycled by 2027
 Social	Leverage our global team to actively drive our business strategy and impact on the world	Respect human rights and promote an ethical, safe, and healthy work environment. Foster an environment of trust and respect, where team members collaborate to drive innovation	Foster an inclusive environment and improve representation of women in our global workforce; zero tolerance of forced labor and human rights abuses; zero workplace injuries
 Governance	Collaborate with our stakeholders on global sustainability initiatives. Build trust through transparency in our business practices and operations	Proactively assess risk and build resilience through robust governance systems, including appropriate goals and processes	Work with our supply-chain partners to reduce their environmental footprint; integrate sustainability into our business strategy

NXP 2025 Sustainability Progress

Scope 1 Direct sources	Scope 2 Indirect sources	Scope 3 Upstream and downstream sources
		
19% decrease from 2024	8% decrease from 2024	11% decrease from 2024

Additional Progress		
Increased renewable energy to 47%	Installed PFC-abatement equipment at 4 sites	Recertified EHS management system to ISO14001 and ISO45001
Limited assurance for Scope 1 and 2 emissions	96% team members completed sustainability training	93% team members feel NXP is committed to ethical practices
Published our inaugural Climate Transition Plan	Exceeded our goals for waste and water recycling	100% Certified Conflict free 3TG smelters

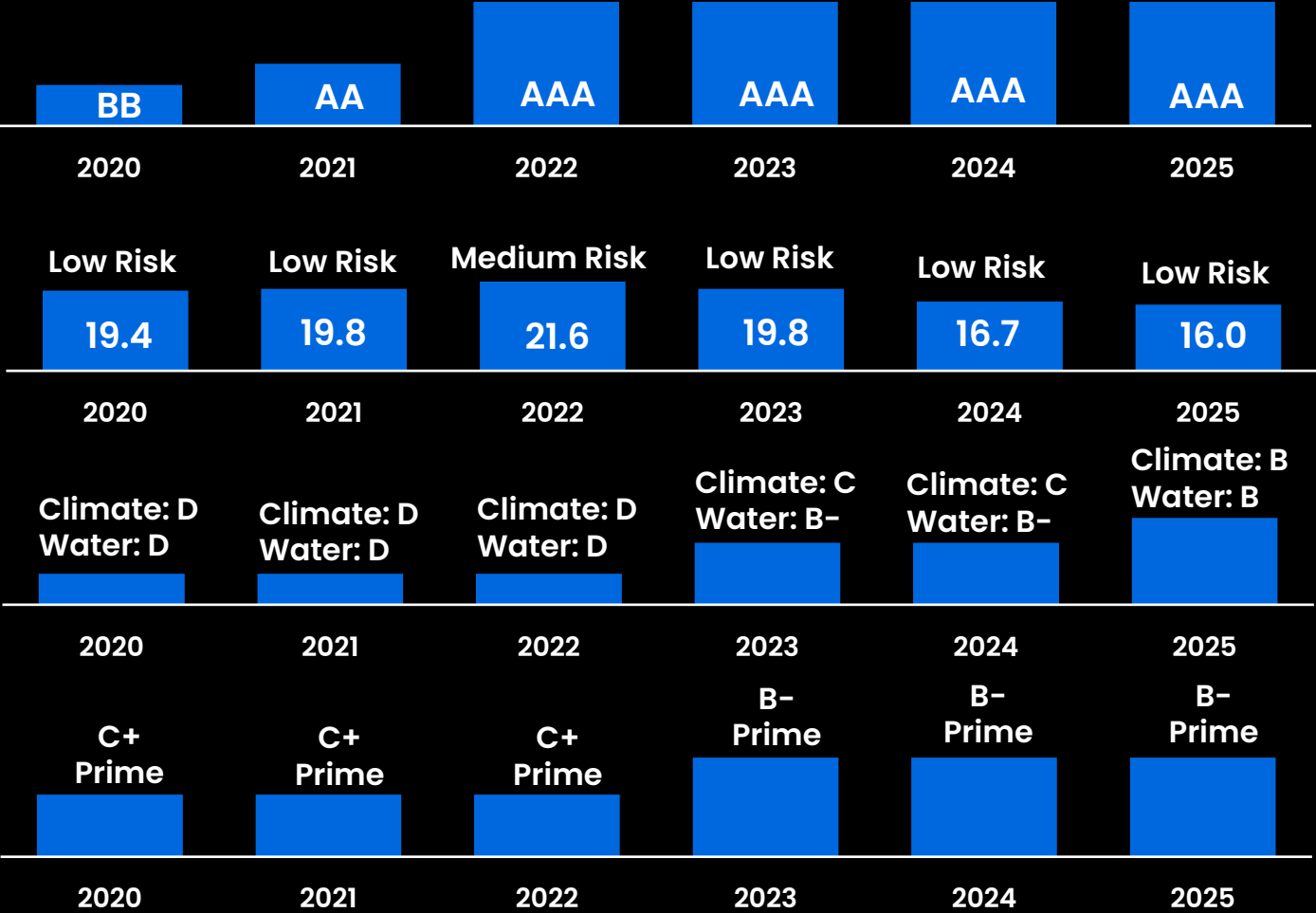
NXP Sustainability Ratings











Annual GAAP Condensed Consolidated Statement of Operations (\$M)

(\$ in millions, unless otherwise stated)

	2020	2021	2022	2023	2024	2025
Revenue	8,612	11,063	13,205	13,276	12,614	12,269
Cost of Revenue	4,377	4,996	5,688	5,723	5,495	5,553
Gross Profit	4,235	6,067	7,517	7,553	7,119	6,716
Research and development	1,725	1,936	2,148	2,418	2,347	2,360
Selling, general and administrative	879	956	1,066	1,159	1,164	1,204
Amortization of acquisition-related intangible assets	1,327	592	509	300	136	117
Total operating expenses	3,931	3,484	3,723	3,877	3,647	3,681
Other income (expense)	114	—	3	(15)	(55)	12
Operating income (loss)	418	2,583	3,797	3,661	3,417	3,047
Financial income (expense)	(417)	(403)	(434)	(309)	(318)	(384)
Income (loss) before taxes	1	2,180	3,363	3,352	3,099	2,663
Benefit (provision) for income taxes	83	(272)	(529)	(523)	(545)	(525)
Results relating to equity-accounted investees	(4)	(2)	(1)	(7)	(12)	(70)
Net income (loss)	80	1,906	2,833	2,822	2,542	2,068
Less: Net Income (loss) attributable to non-controlling interests	(28)	(35)	(46)	(25)	(32)	(47)
Net income (loss) attributable to stockholders	52	1,871	2,787	2,797	2,510	2,021
Basic earnings per share	0.19	6.91	10.64	10.83	9.84	8.00
Diluted earnings per share	0.18	6.79	10.55	10.70	9.73	7.95
Basic - weighted average number of shares	279,763	270,687	261,879	258,381	255,208	252,703
Diluted - weighted average number of shares	283,809	275,646	264,053	261,370	257,848	254,331

Annual GAAP to non-GAAP Reconciliation (\$M)

(\$ in millions, unless otherwise stated)

	2020	2021	2022	2023	2024	2025
GAAP Gross Profit	4,235	6,067	7,517	7,553	7,119	6,716
Gross profit adjustments	(165)	(138)	(126)	(209)	(213)	(250)
Non - GAAP Gross Profit	4,400	6,205	7,643	7,762	7,332	6,966
GAAP Gross Margin	49.2%	54.8%	56.9%	56.9%	56.4%	54.7%
Non-GAAP Gross Margin	51.1%	56.1%	57.9%	58.5%	58.1%	56.8%
GAAP Operating income (loss)	418	2,583	3,797	3,661	3,417	3,047
Operating income adjustments	(1,810)	(1,058)	(994)	(1,001)	(952)	(1,017)
Non - GAAP Operating income (loss)	2,228	3,641	4,791	4,662	4,369	4,064
GAAP Operating Margin	4.9%	23.3%	28.8%	27.6%	27.1%	24.8%
Non-GAAP Operating Margin	25.9%	32.9%	36.3%	35.1%	34.6%	33.1%

Annual Cash Flow Overview (\$M)

(\$ in millions, unless otherwise stated)

	2020	2021	2022	2023	2024	2025
Net cash provided by (used for) operating activities	2,482	3,077	3,895	3,513	2,782	2,820
Net cash (used for) provided by investing activities	(418)	(934)	(1,249)	(1,508)	(686)	(2,357)
Net cash provided by (used for) financing activities	(835)	(1,585)	(1,619)	(1,990)	(2,662)	(494)
Effect of changes in exchange rate on cash positions	1	(3)	(12)	2	(4)	6
Increase (decrease) in cash and cash equivalents	1,230	555	1,015	17	(570)	(25)
Cash and cash equivalents at beginning of period	1,045	2,275	2,830	3,845	3,862	3,292
Cash and cash equivalents at end of period	2,275	2,830	3,845	3,862	3,292	3,267

Net cash provided by (used for) operating activities	2,482	3,077	3,895	3,513	2,782	2,820
Net capital expenditures on property, plant and equipment	(388)	(766)	(1,061)	(826)	(693)	(395)
Non-GAAP free cash flow	2,094	2,311	2,834	2,687	2,089	2,425
Non-GAAP free cash flow as a percent of Revenue	24%	21%	22%	20%	17%	20%

Annual Adjusted EBITDA (\$M)

(\$ in millions, unless otherwise stated)

	2020	2021	2022	2023	2024	2025
Net income (loss)	80	1,906	2,833	2,822	2,542	2,068
Financial (income) expense	417	403	434	309	318	384
(Benefit) provision for income taxes	(83)	272	529	523	545	525
Depreciation	547	551	605	652	630	560
Amortization	1,441	711	645	454	295	272
Non-GAAP EBITDA	2,402	3,843	5,046	4,760	4,330	3,809
Reconciling items to adjusted EBITDA						
Results of equity-accounted investees, excluding Foundry investees	4	2	1	7	12	66
Purchase accounting effect on inventory	17	—	—	—	—	—
Purchase accounting effect on asset sale	—	—	—	—	—	5
Restructuring	78	1	(7)	98	125	261
Stock-based compensation	384	353	364	411	461	462
Merger-related costs	8	—	—	—	—	—
Other incidental items ¹	(101)	33	65	134	136	124
Non-GAAP Adjusted EBITDA	2,792	4,232	5,469	5,410	5,064	4,727
(1) Excluding from total other incidental items, charges included in depreciation or amortization reconciling items:						
other incidental items	8	—	—	2	45	19

Quarterly GAAP Condensed Consolidated Statement of Operations (\$M)

(\$ in millions, unless otherwise stated)

	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Revenue	2,926	3,173	3,335	3,181	3,496
Cost of Revenue	(1,364)	(1,386)	(1,528)	(1,393)	(1,494)
Gross Profit	1,562	1,787	1,807	1,788	2,002
Research and development	(573)	(575)	(665)	(588)	(604)
Selling, general and administrative	(278)	(286)	(359)	(284)	(291)
Amortization of acquisition-related intangible assets	(25)	(31)	(34)	(32)	(31)
Total operating expenses	(876)	(892)	(1,058)	(904)	(926)
Other income (expense)	1	(2)	(5)	621	(5)
Operating income (loss)	687	893	744	1,505	1,071
Financial income (expense)	(86)	(98)	(108)	(96)	(97)
Income (loss) before taxes	601	795	636	1,409	974
Benefit (provision) for income taxes	(116)	(148)	(131)	(272)	(189)
Results relating to equity-accounted investees	(28)	(1)	(37)	(4)	(3)
Net income (loss)	457	646	468	1,133	782
Less: Net Income (loss) attributable to non-controlling interests	12	15	13	11	15
Net income (loss) attributable to stockholders	445	631	455	1,122	767
Basic earnings per share	1.76	2.50	1.80	4.44	3.04
Diluted earnings per share	1.75	2.48	1.79	4.43	3.02
Basic - weighted average number of shares	252,418	252,170	252,544	252,715	252,415
Diluted - weighted average number of shares	253,844	254,310	254,078	253,525	254,021

Quarterly GAAP to non-GAAP Reconciliation (\$M)

(\$ in millions, unless otherwise stated)	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
GAAP Gross Profit	1,562	1,787	1,807	1,788	2,002
Gross profit adjustments	(90)	(23)	(106)	(27)	(26)
Non - GAAP Gross Profit	1,652	1,810	1,913	1,815	2,028
GAAP Operating income (loss)	687	893	744	1,505	1,071
Operating income adjustments	(248)	(178)	(410)	453	(157)
Non - GAAP Operating income (loss)	935	1,071	1,154	1,052	1,228
GAAP Financial income / (expense)	(86)	(98)	(108)	(96)	(97)
Financial income / (expense) adjustments	(1)	(7)	(9)	(6)	(10)
Non-GAAP Financial income / (expense)	(85)	(91)	(99)	(90)	(87)
GAAP Provision for income taxes	(116)	(148)	(131)	(272)	(189)
Income tax effect	32	25	59	(99)	16
Non-GAAP Provision for income tax	(148)	(173)	(190)	(173)	(205)
GAAP Results relating to non-controlling interest	(12)	(15)	(13)	(11)	(15)
Non-controlling interest adjustments	—	—	—	—	—
Non-GAAP Results relating to non-controlling interest	(12)	(15)	(13)	(11)	(15)

	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
GAAP Results relating to equity accounted investees	(28)	(1)	(37)	(4)	(3)
Equity accounted investees adjustments	(28)	1	(36)	—	—
Non-GAAP Results relating to equity accounted investees	—	(2)	(1)	(4)	(3)
GAAP Net income (loss) attributable to stockholders	445	631	455	1,122	767
Net income (loss) adjustments	(245)	(159)	(396)	348	(151)
Non-GAAP Net income (loss) attributable to stockholders	690	790	851	774	918
GAAP net income(loss) per common share attributable to shareholders - diluted	1.75	2.48	1.79	4.43	3.02
Total GAAP to Non-GAAP adjustments per common share	(0.97)	(0.63)	(1.56)	1.38	(0.59)
Non-GAAP net income(loss) per common share attributable to shareholders - diluted	2.72	3.11	3.35	3.05	3.61

Total GAAP to non-GAAP Adjustments					
PPA Effects	(32)	(38)	(41)	(38)	(36)
Restructuring	(67)	(3)	(177)	(2)	8
Share-based compensation	(117)	(118)	(100)	(109)	(105)
Other incidentals	(32)	(19)	(92)	602	(24)
Adjustment to financial income (expense)	(1)	(7)	(9)	(6)	(10)
Income tax effect	32	25	59	(99)	16
Equity accounted investees	(28)	1	(36)	—	—

Quarterly Cash Flow Overview (\$M)

(\$ in millions, unless otherwise stated)

	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Net cash provided by (used for) operating activities	779	585	891	793	860
Net cash provided by (used for) investing activities	(892)	(783)	(466)	508	(237)
Net cash provided by (used for) financing activities	(709)	482	(612)	(856)	(1,109)
Effects of changes in exchange rates on cash position	4	—	—	(4)	—
Increase (decrease) in cash and cash equivalents	(818)	284	(187)	441	(486)
Cash and cash equivalents at beginning of the period	3,988	3,170	3,454	3,267	3,708
Cash and cash equivalents at end of period	3,170	3,454	3,267	3,708	3,222

Net cash provided by (used for) operating activities	779	585	891	793	860
Net capital expenditures on property, plant and equipment	(83)	(76)	(98)	(79)	(69)
Non-GAAP free cash flow	696	509	793	714	791
Trailing 12-month Non-GAAP free cash flow	2,008	1,924	2,425	2,712	2,807
Trailing 12-month Non-GAAP free cash flow as a percentage of Revenue	17%	16%	20%	21%	21%

Quarterly Adjusted EBITDA (\$M)

(\$ in millions, unless otherwise stated)

	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Net income (loss)	457	646	468	1,133	782
Reconciling items to adjusted net income					
Financial (income) expense	86	98	108	96	97
(Benefit) provision for income taxes	116	148	131	272	189
Depreciation	143	132	142	109	114
Amortization	64	69	73	70	70
Non-GAAP EBITDA	866	1,093	922	1,680	1,252
Reconciling items to adjusted EBITDA					
Results of equity-accounted investees, excluding Foundry investees	28	(1)	36	—	—
Purchase accounting effect on asset sale	—	—	—	—	—
Restructuring	67	3	177	2	(8)
Stock-based compensation	117	118	100	109	105
Other incidental items ¹	25	19	84	(605)	20
Non-GAAP Adjusted EBITDA	1,103	1,232	1,319	1,186	1,369
Trailing 12-month Non-GAAP Adjusted EBITDA	4,745	4,648	4,727	4,840	5,106
(1) Excluding from total other incidental items, charges included in depreciation or amortization reconciling items:					
other incidental items	7	—	8	3	4

NXP, A Future of Innovation and Long-term Value Creation



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**High Single Digit Organic
Revenue Growth**

S32 SDV
Intelligent systems at the edge

**Gross Margin Expansion
Above 60%**

Hybrid manufacturing
Mix / NPI

**100% of Excess FCF
to Our Owners**

Hybrid manufacturing
RMS & system leadership

Doubling non-GAAP EPS by 2030+



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