

NXP Investor Presentation

Third Quarter 2023

November 2023



SECURE CONNECTIONS
FOR A SMARTER WORLD

PUBLIC

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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 equity-accounted investees, (xii) Income (loss) from continuing operations, (xiii) Net income (loss) attributable to stockholders, (xiv) Diluted earnings per share, (xv) EBITDA (Non-GAAP), adjusted EBITDA (Non-GAAP) and trailing 12 month adjusted EBITDA (Non-GAAP) and (xvi) free cash flow, trailing 12 month free cash flow and trailing 12 month free cash flow as a percent of Revenue. Our non-GAAP results exclude, 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, non-cash interest expense on convertible notes, extinguishment of debt, and foreign exchange gains and losses, income tax effect on adjustments described above and results from equity-accounted investments. These non-GAAP measures are provided in addition to, and not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. Reconciliations of these non-GAAP measures to the most comparable measures calculated in accordance with GAAP are provided in the appendix to the presentation. For further discussion of our use of non-GAAP measures and information on the reconciliation to most comparable measures calculated in accordance with GAAP, 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.

NXP Investment Thesis



Market leader with
strong revenue growth

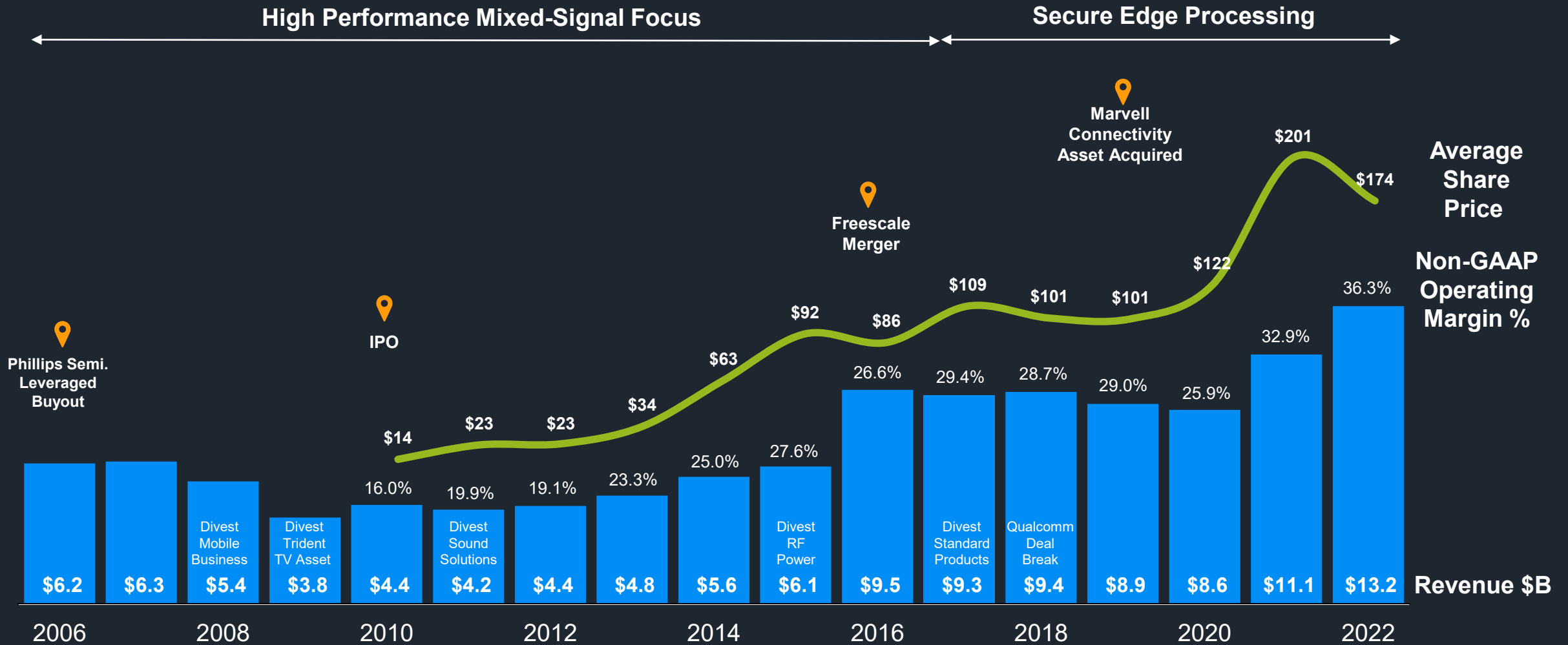


Proven financial model with
resilient profitability



Reliable capital return policy of
robust free cash flow

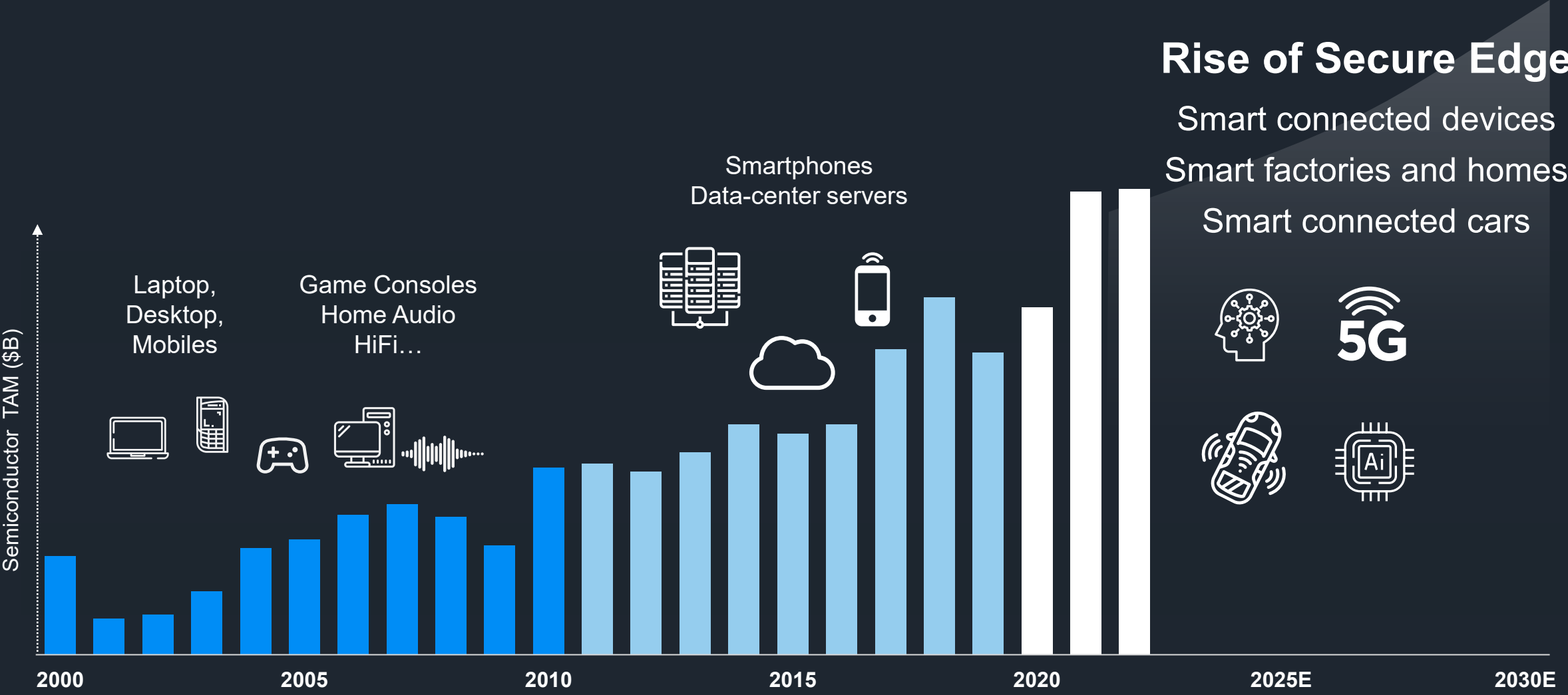
NXP: A Rich History of Innovation



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 for additional information relative to our Non-GAAP Financial Measure” with this one “Reconciliations of non-GAAP measures to the most comparable measures calculated in accordance with GAAP are provided in the appendix to the presentation

2. Ave. Annual Share Price is the average annual share price of NXPI throughout each full or partial year period sourced from FactSet

Macrotrends Driving Waves of Semi Growth⁽¹⁾

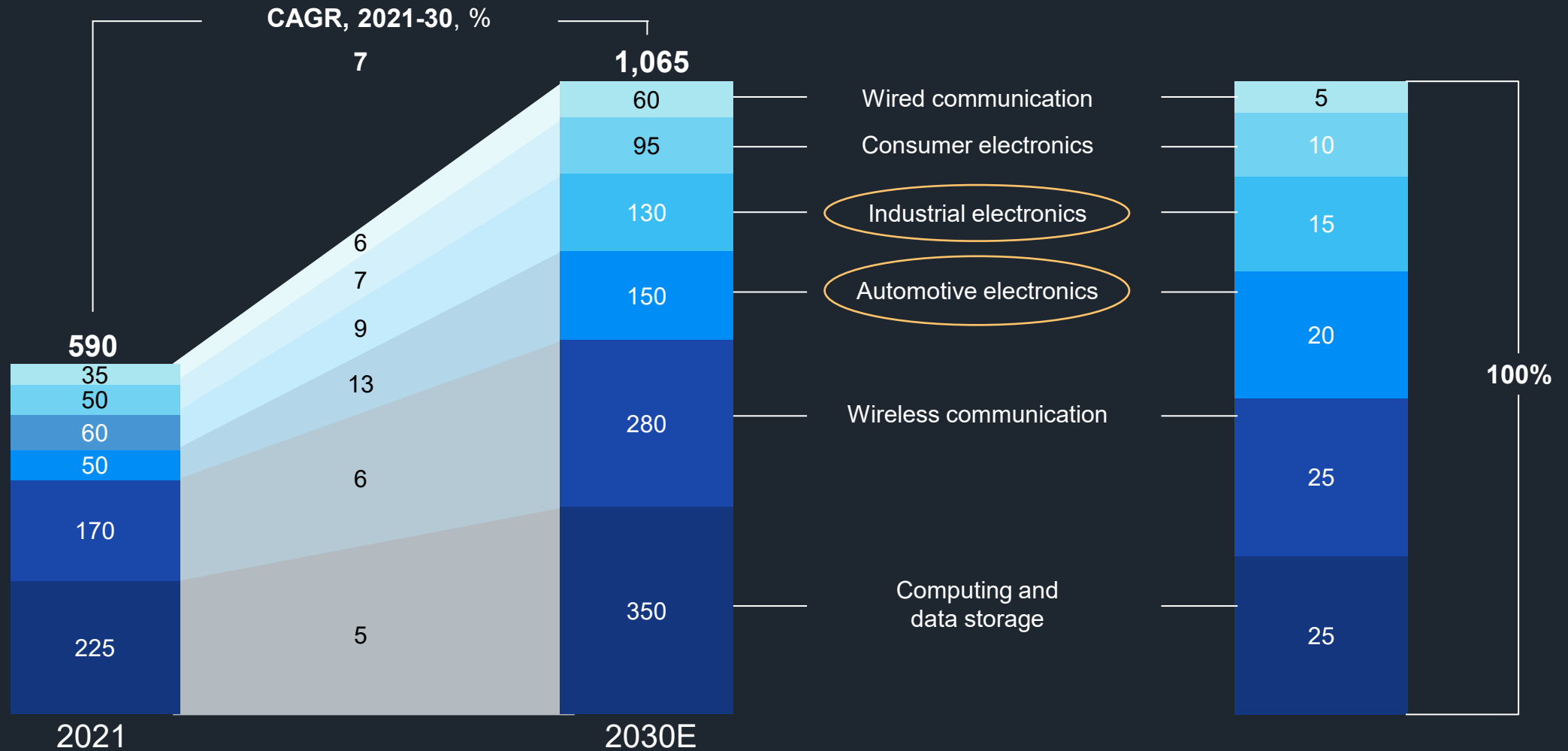


1. Omdia Application Market Forecast Tool, March 2023

Semiconductor Industry – a \$1 Trillion Opportunity in 2030

Global Semiconductor market value by vertical, indicative, \$billion

Growth contribution per vertical, 2021-30, %



NXP's Unrivaled Technology Portfolio for the Secure Edge

SENSE



Everything
Aware

THINK



Everything
Smart

CONNECT



Everything
Connected

ACT



Everything
Efficient







Everything **safe and secure**







Easy to implement **scalable system solutions**

NXP Addresses 4 Major End Markets

Automotive	Industrial & IoT	Mobile	Communications Infrastructure
 <p data-bbox="142 786 644 882">Safety, Electrification & Driver Interaction</p> <p data-bbox="208 986 575 1148">System solutions innovation drives revenue growth</p>	 <p data-bbox="726 786 1228 882">Edge Processing, Connectivity & Security</p> <p data-bbox="715 986 1235 1148">Scalable processing and solutions as a differentiator</p>	 <p data-bbox="1319 786 1821 882">Virtualized Secure Transactions & Access</p> <p data-bbox="1337 986 1803 1086">Growth driven by increased attach rate</p>	 <p data-bbox="1911 772 2412 868">Capex-driven Wireless Infrastructure Market</p> <p data-bbox="1898 986 2418 1086">Growth as result of new cellular standards</p>

Accelerating Profitable Growth of 8-12% CAGR ^(1,2,3,4)

Automotive	Industrial & IoT	Mobile	Communications Infrastructure
			
50% of Total +9 to 14% 3-yr. CAGR	22% of Total +9 to 14% 3-yr. CAGR	13% of Total +8 to 10% 3-yr. CAGR	16% of Total +2 to 6% 3-yr. CAGR
Leader in sensing, processing and control applications	Leader in connected edge processing	Leader in secure mobile wallet, access, and identification	Leader in high-power RF power

1. NXP Strategy Office

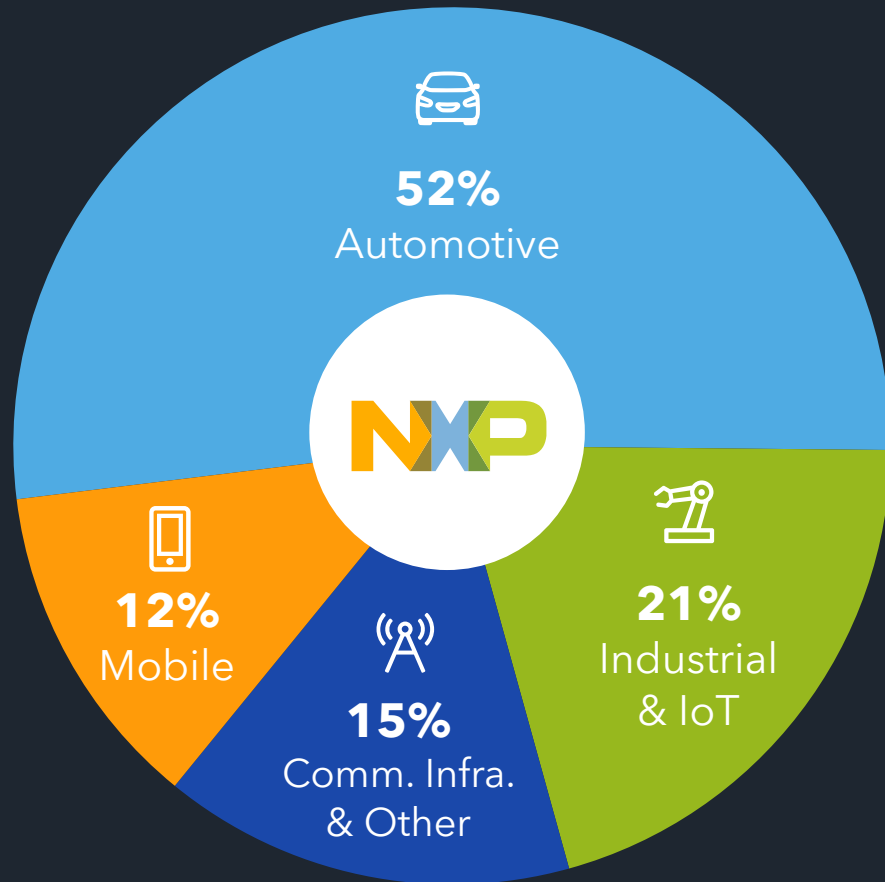
2. Communication Infrastructure includes "Other" consolidated revenue associated with NXP joint ventures

3. 2021E based on 1Q21 - 3Q21 actual results and the mid-point of 4Q21 estimated guidance as of Nov. 2, 2021

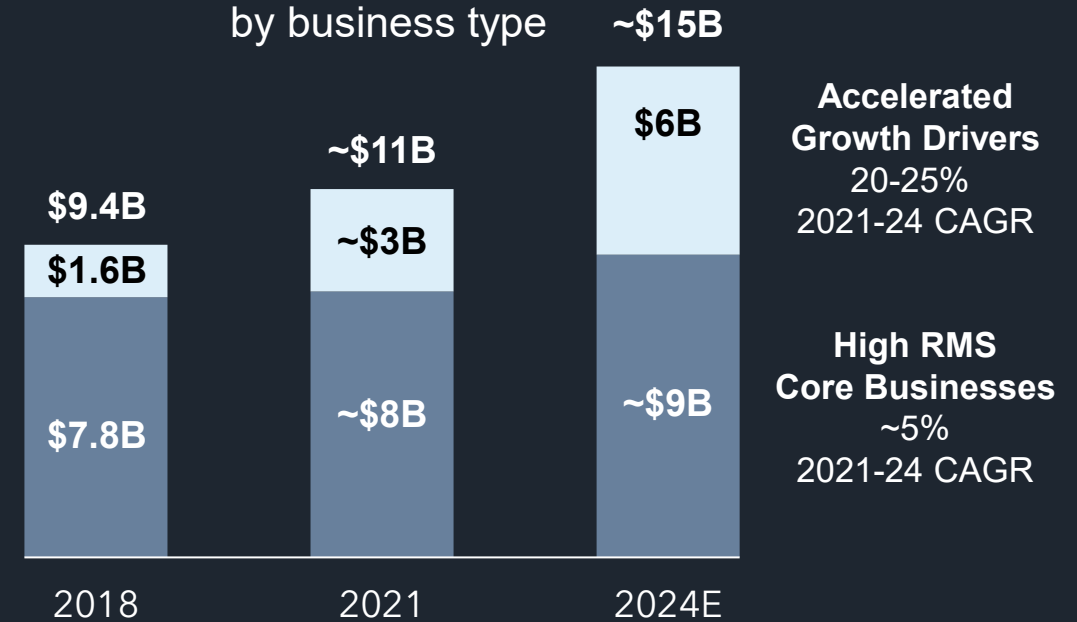
4. Reconciliations of non-GAAP measures to the most comparable measures calculated in accordance with GAAP are provided in the appendix to the presentation

Our Secular Growth Drivers Expected to Scale Rapidly ^(1,2,3,4)

2022 Revenue
by end-market exposure



Revenue
by business type

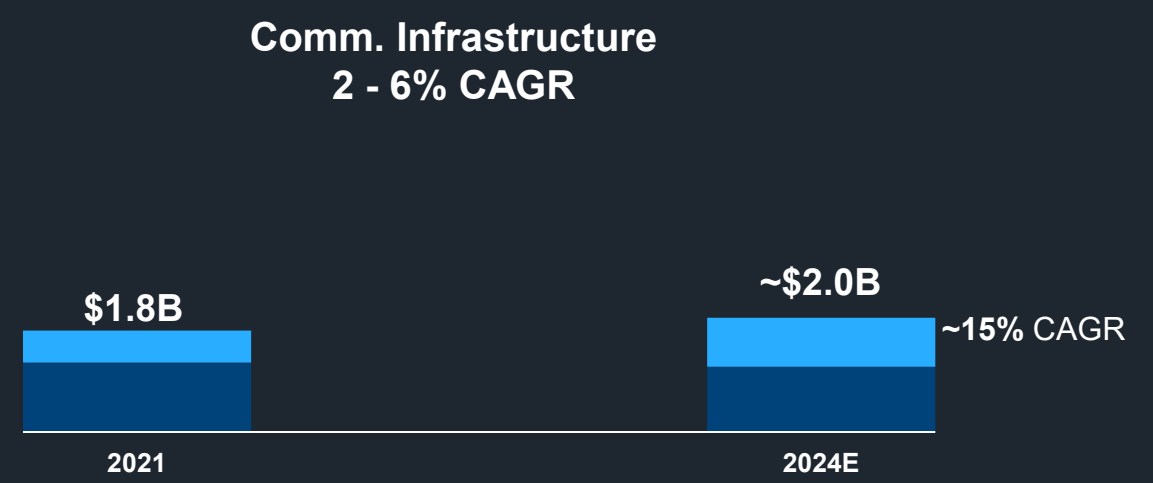
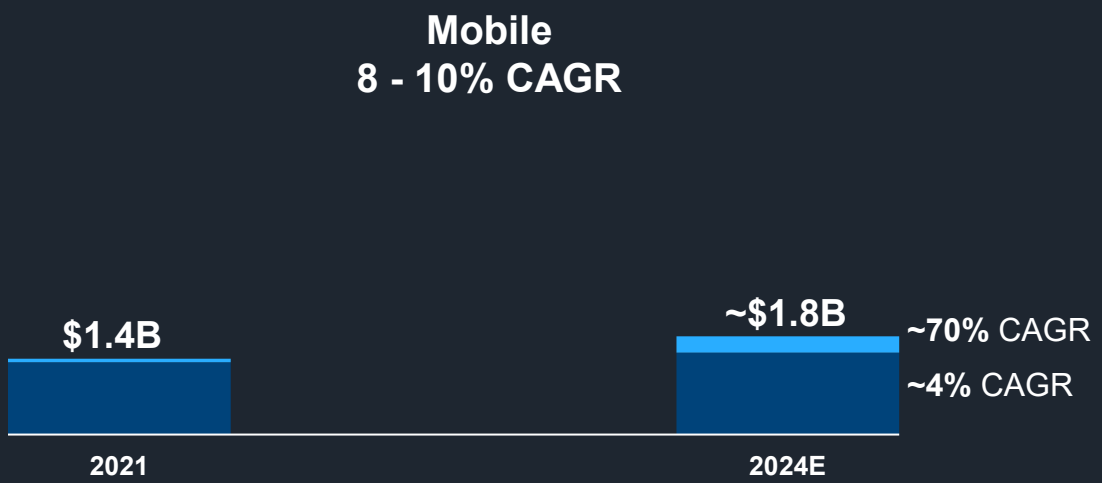
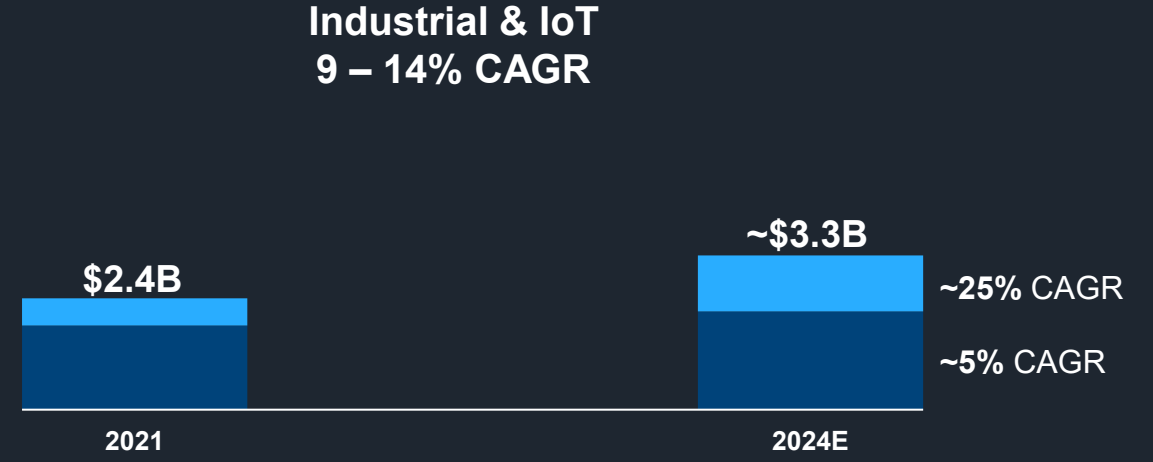
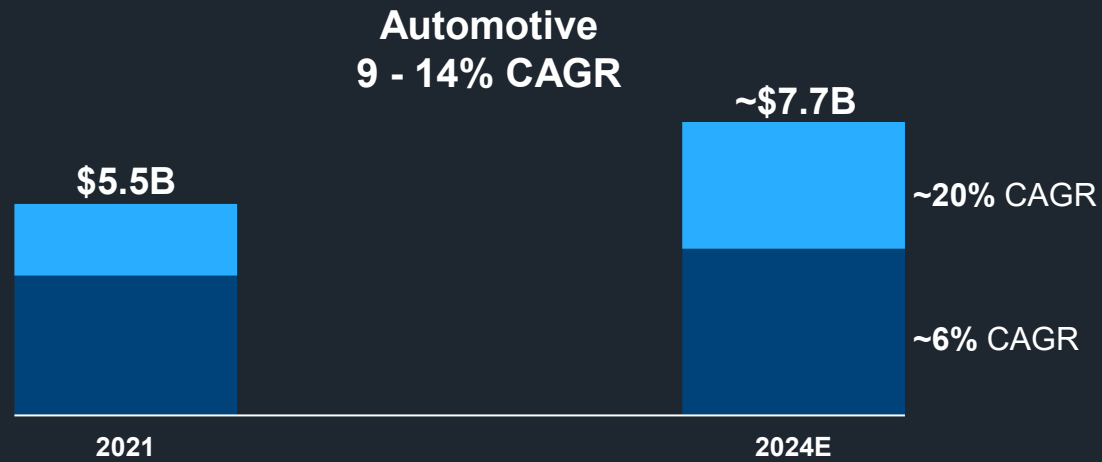


Accelerated growth drivers

- | | |
|----------------------------------|---------------------------------|
| Auto radar systems | Secure connected edge solutions |
| Auto domain and zonal processors | UWB secure access solutions |
| Auto electrification systems | RF Power for 5G Infrastructure |

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. All growth rates are 3-year CAGR based on 2021 actuals through 2024 estimates
 3. The sum of the percentages shown may not add to 100% due to rounding
 4. NXP Strategy Office

Accelerating Secular Profitable Revenue Growth ^{1,2,3,4}

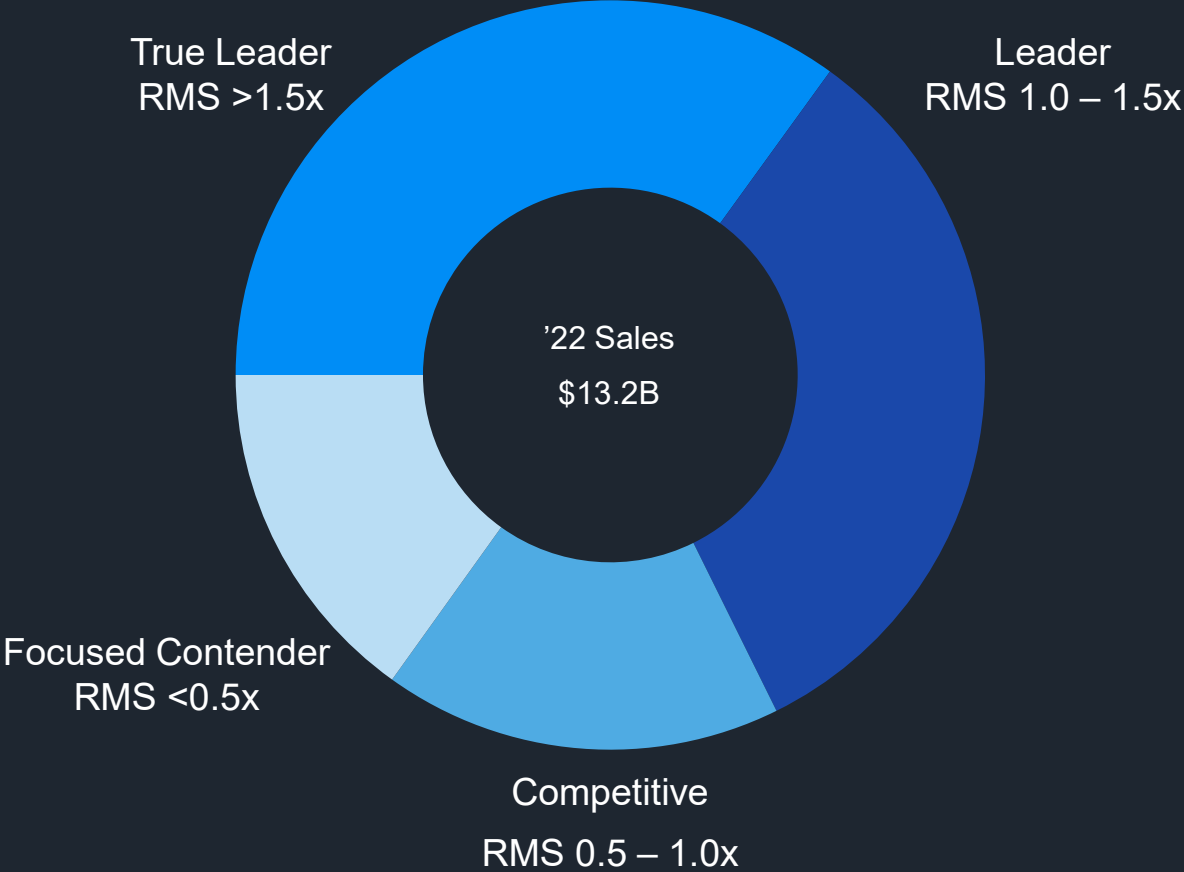


High RMS Core Revenue
 Accelerated Growth Revenue Drivers

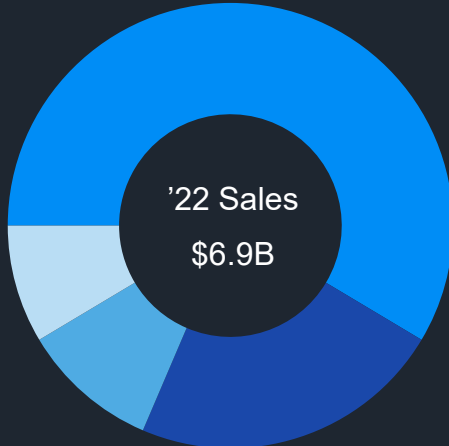
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NXP End Market Relative Market Share (“RMS”) ^(1,2)

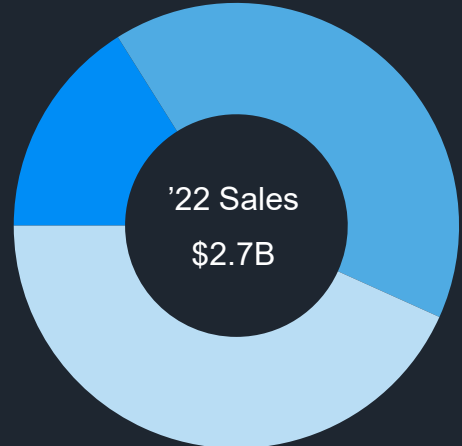
'22 Total NXP Product Revenue



'22 Automotive



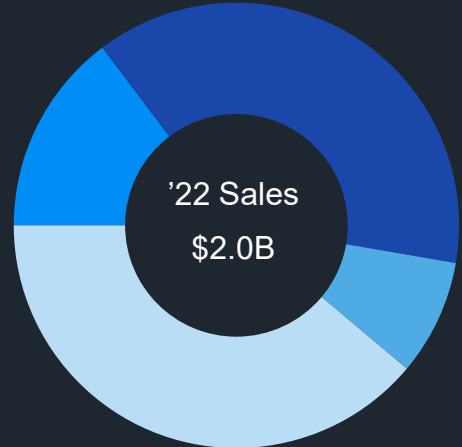
'22 Industrial & IoT



'22 Mobile



'22 Com. Infra. & Others

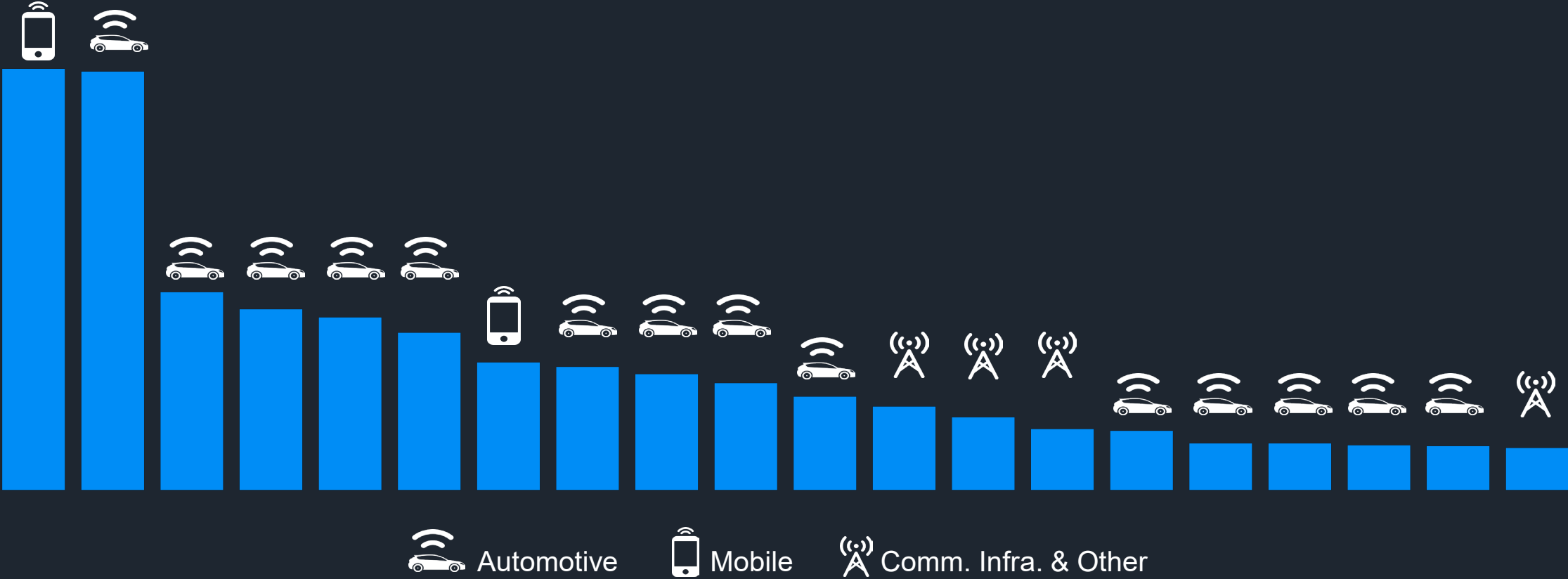


■ True Leader
 ■ Leader
 ■ Competitive
 ■ Focused Contender

1. Source: NXP Semiconductors CMI Group, based on 2022 reported end market revenue and competitive positions;
 2. Relative Market Share (RMS) is defined as NXP market share as a percentage of the second largest competitor market share in defined serviceable addressable markets (“SAM”)

Diverse End-Customer Base with High Barriers to Entry ⁽¹⁾

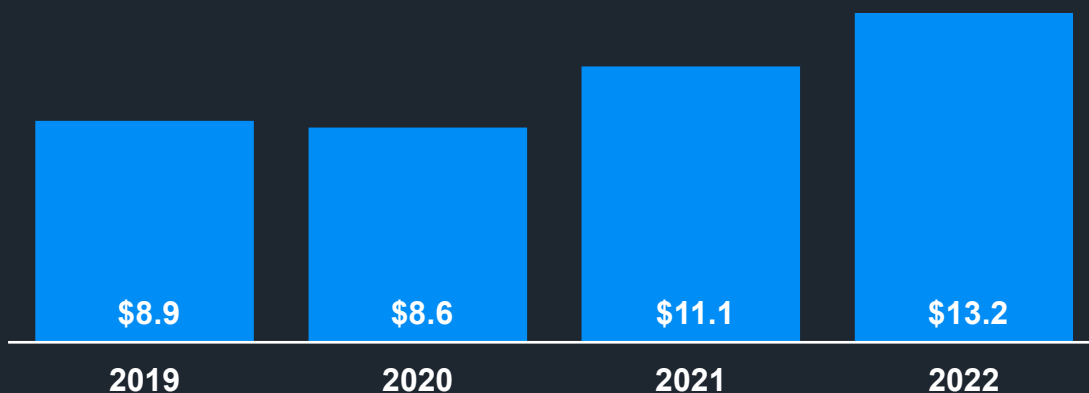
Top 20 End-customers are less than 45% of 2022 Revenue
>25,000 Total Customers
No 10% Customers



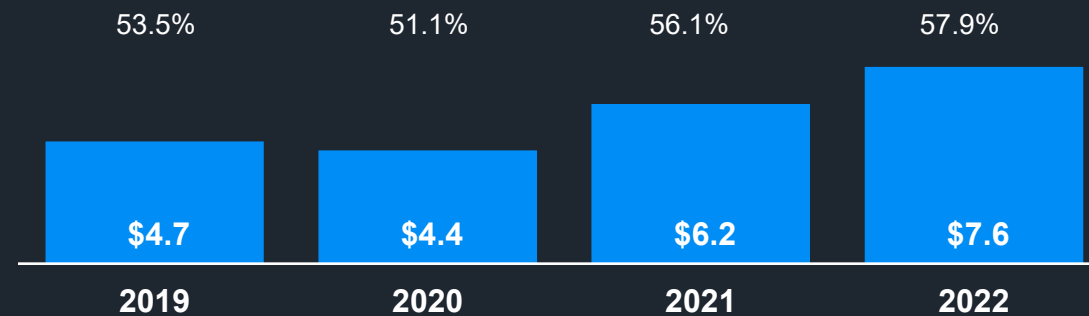
1. Reflects 2022 sales through all channels

Driving Profitable Growth in Excess of Addressable Market ^(1,2,3)

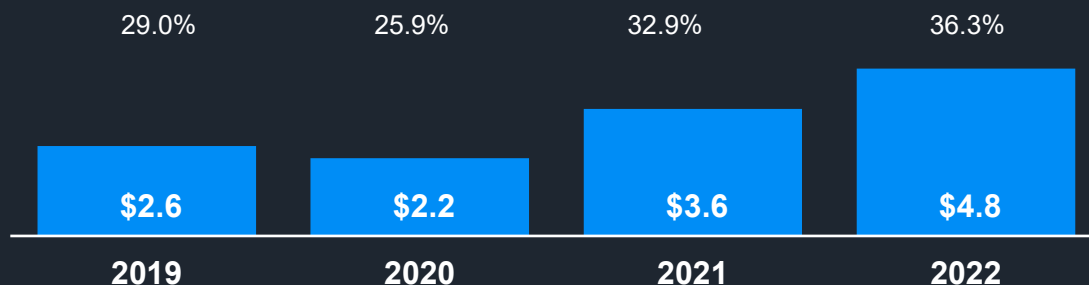
As Reported Revenue
Up 14% 3-yr. CAGR (\$B)



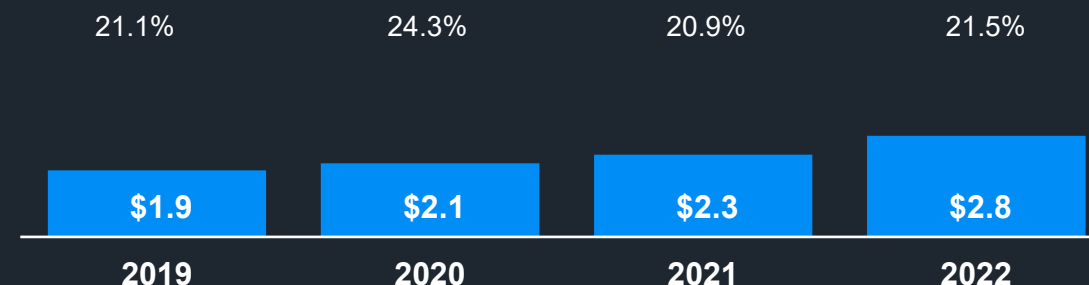
Non-GAAP Gross Profit / Non-GAAP Gross Margin
Up 17% 3-yr. CAGR (\$B)



Non-GAAP Operating Profit / Non-GAAP Operating Margin
Up 23% 3-yr. CAGR (\$B)



Non-GAAP Free Cash Flow / Non-GAAP Free Cash Flow Margin
Up 15% 3-yr. CAGR (\$B)

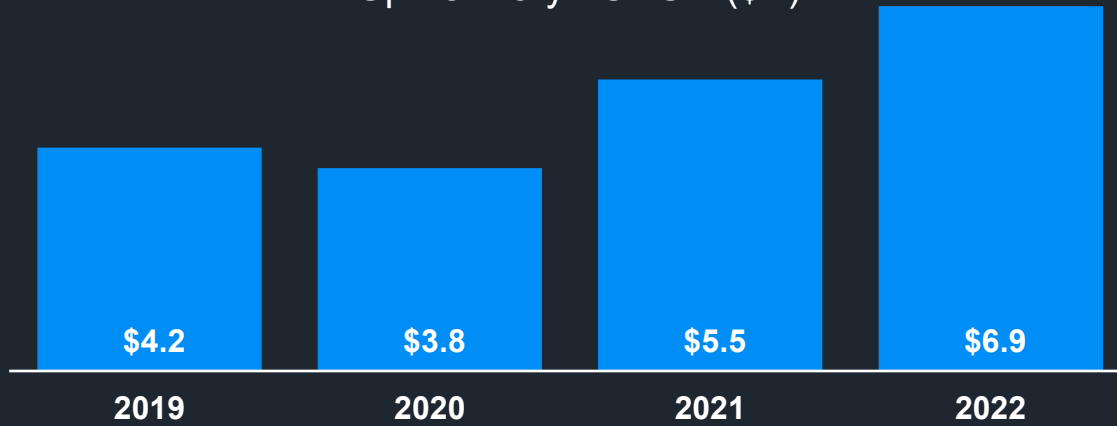


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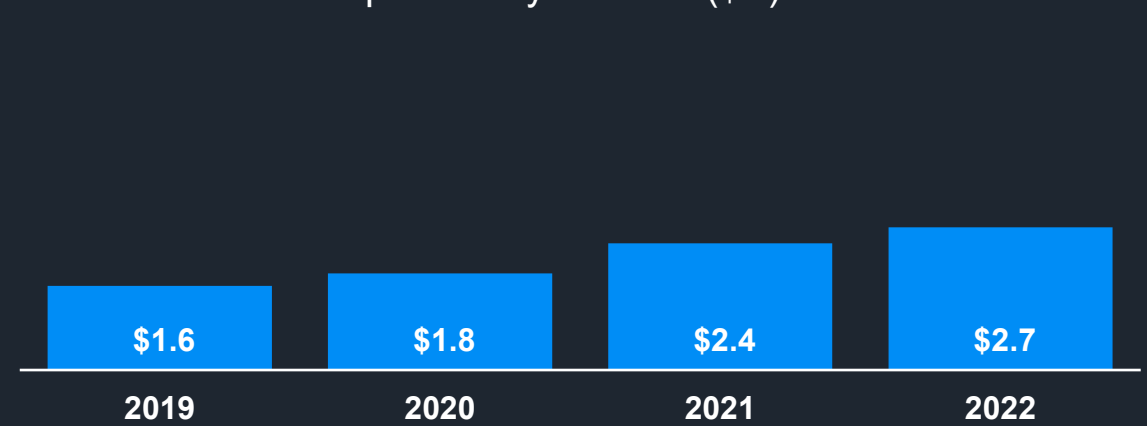
2. Gross Profit, Gross Margin, Operating Profit, Operating Margin, Free Cash Flow (FCF), are all non-GAAP figures, 3-yr. CAGR reflect the period 2019 – 2022

Annual Revenue by End Market (\$B)⁽¹⁾

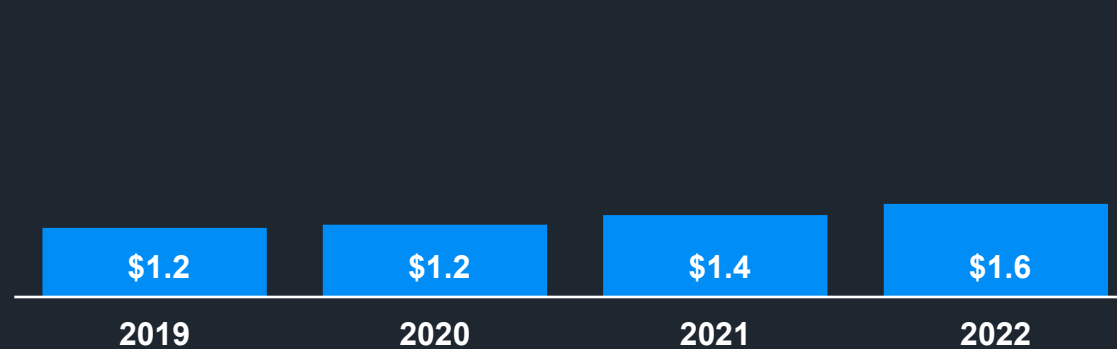
Automotive
Up 18% 3-yr. CAGR (\$B)



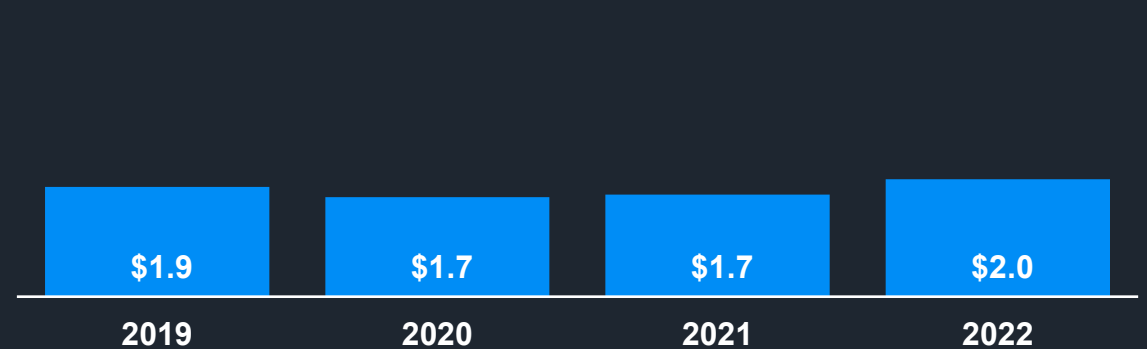
Industrial & IoT
Up 19% 3-yr. CAGR (\$B)



Mobile
Up 11% 3-yr. CAGR (\$B)



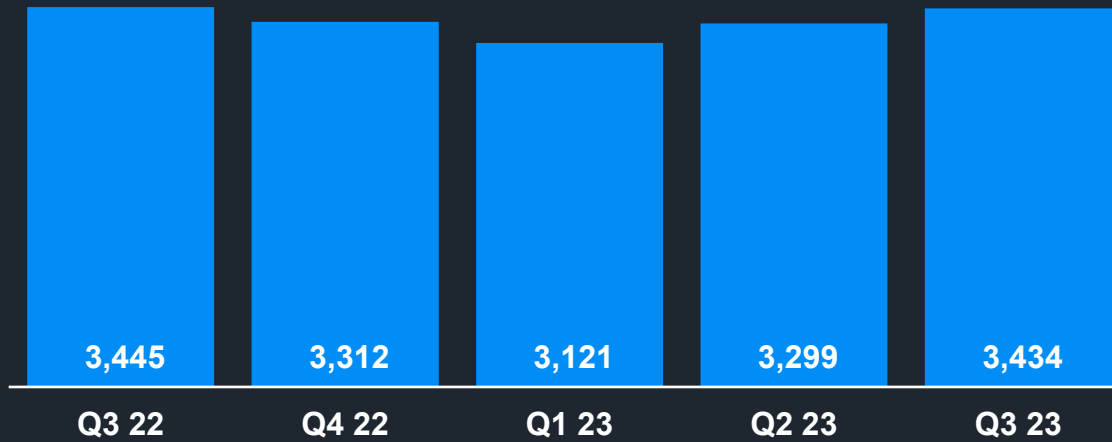
Communication Infrastructure & Other
Up 2% 3-yr. CAGR (\$B)



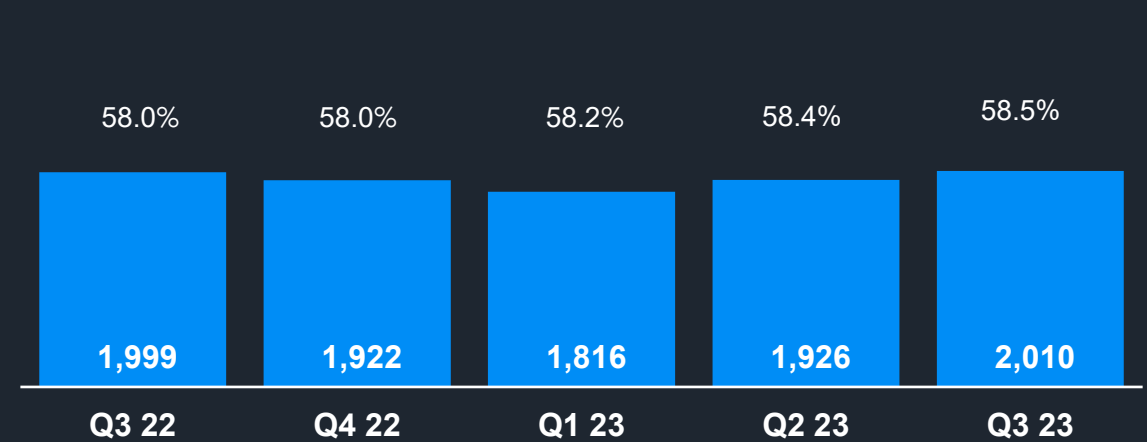
1. Please refer to the NXP Historic Financial Model file found on the Financial Information page of the Investor Relations section of our website at www.nxp.com/investor for additional information relative to our Non-GAAP Financial Measures

Recent Quarterly Business Trends ^(1,2)

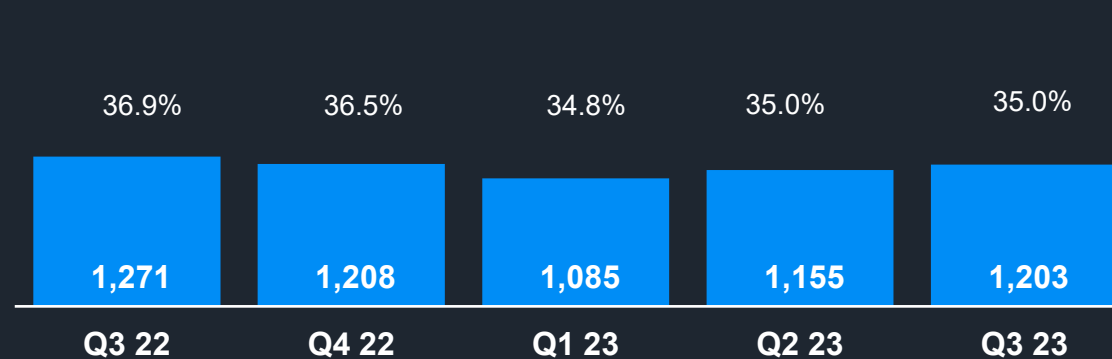
As Reported Revenue (\$M)



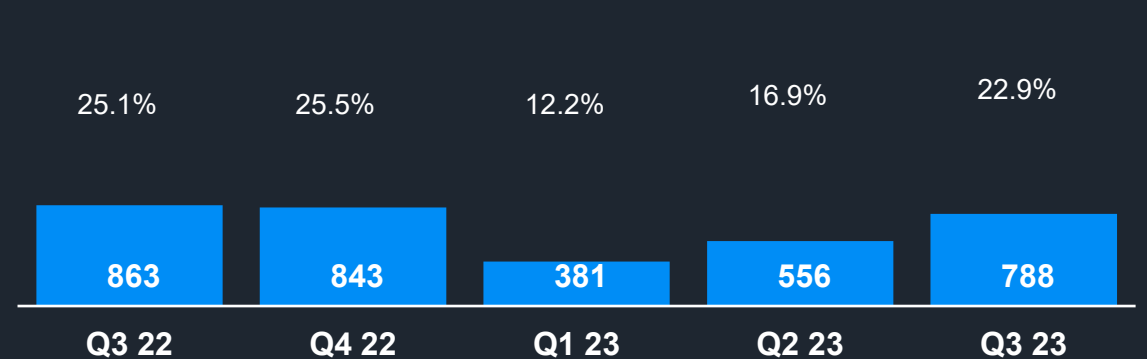
Non-GAAP Gross Profit / Non-GAAP Gross Margin



Non-GAAP Operating Profit / Non-GAAP Operating Margin

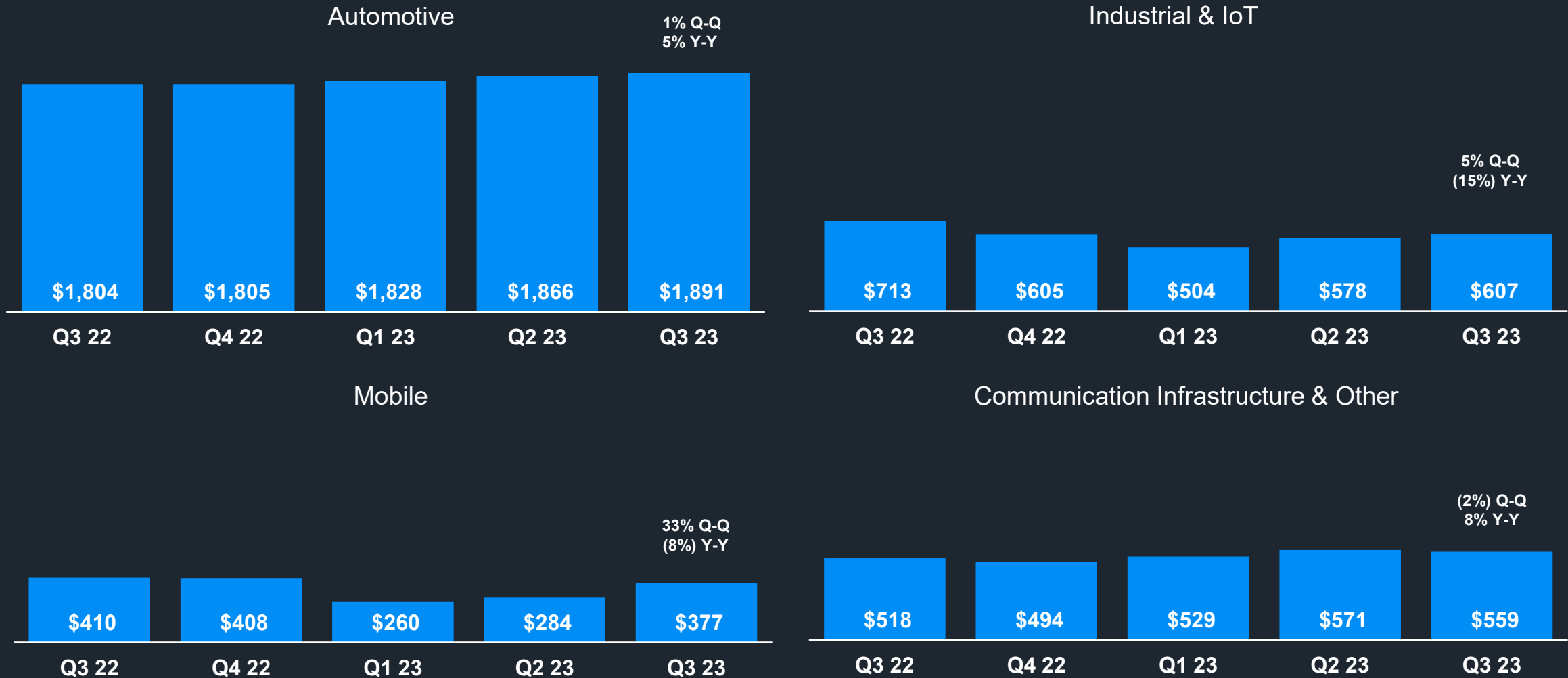


Non-GAAP Free Cash Flow / Non-GAAP Free Cash Flow Margin



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

Quarterly Revenue by End Market (\$M)⁽¹⁾

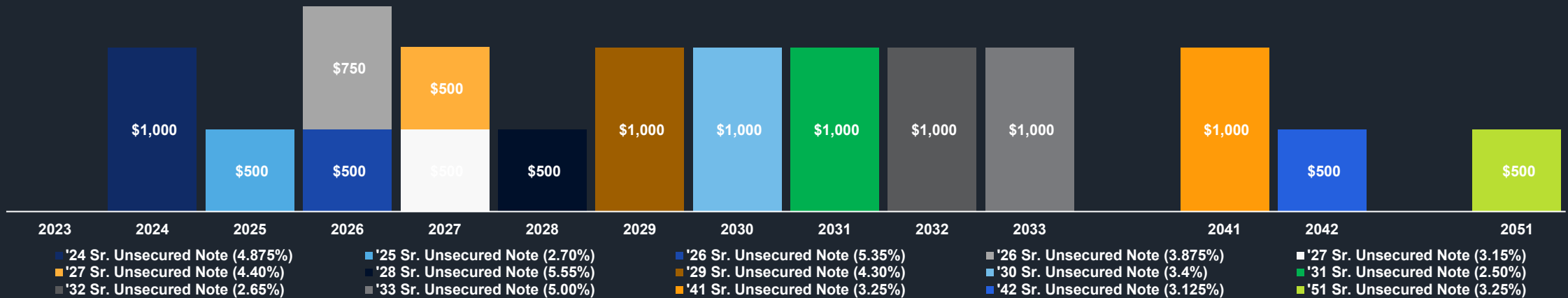


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Debt Summary at the End of 3Q23^(1,2)

Debt Instrument	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Sr. Unsecured Notes	Revolving Credit Facility	
Issue Date	Dec-18	Apr-20	Dec-18	Jun-19	Apr-20	May-22	Dec-18	Jun-19	Apr-20	May-21	Nov-21	May-22	May-21	Nov-21	Nov-21	Aug-22	
Maturity Date	Mar-24	May-25	Mar-26	Jun-26	May-27	Jun-27	Dec-28	Jun-29	May-30	May-31	Feb-32	Jan-33	May-41	Feb-42	Nov-51	Aug-27	
Issued Amount (M)	\$ 1,000	\$ 500	\$ 500	\$ 750	\$ 500	\$ 500	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 500	\$ 500	\$ 2,500	
Book Value (M)	\$ 999	\$ 499	\$ 499	\$ 748	\$ 498	\$ 497	\$ 497	\$ 994	\$ 994	\$ 993	\$ 993	\$ 989	\$ 988	\$ 492	\$ 491	\$ -	
Coupon	4.875%	2.700%	5.350%	3.875%	3.150%	4.400%	5.550%	4.300%	3.40%	2.50%	2.65%	5.00%	3.25%	3.125%	3.250%	Adj. Fwd. SOFR + 112.5 bps	
Moody's	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	Baa3	NR
Standard & Poor's	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	NR
Fitch	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	BBB	NR

Total Leverage	
Total Debt (\$M)	\$ 11,172
Total Cash (\$M)	\$ 4,042
Net Debt (\$M)	\$ 7,130
TTM Adj. EBITDA	\$ 5,384
Cost of Debt	3.79%
Reported Gross Leverage	2.1X
Reported Net Leverage	1.3X
TTM Adj. EBITDA/TTM net interest	19.9x

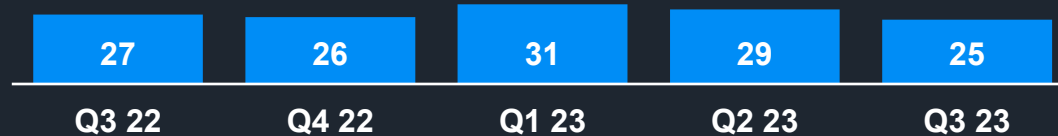


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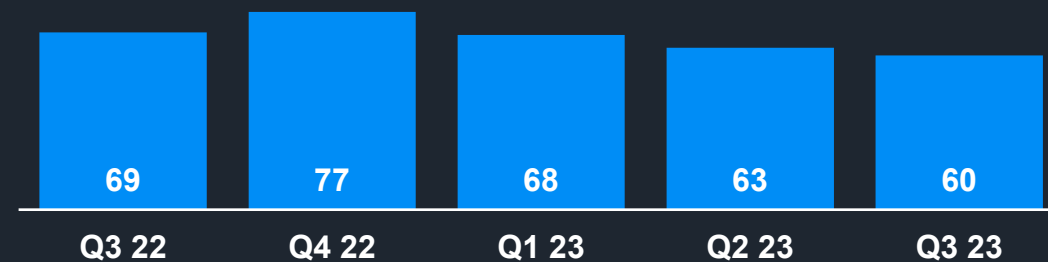
2. For the third quarter ended October 1, 2023, interest expense, net of (\$60) million is comprised of interest expense of (\$109) million, less interest income of \$49 million. Interest expense, net is a component of Financial income (expense) of (\$75) million as reported in the NXP Historic Financial Model file found on the Financial Information page.

Working Capital Ratios ^(1,2,3)

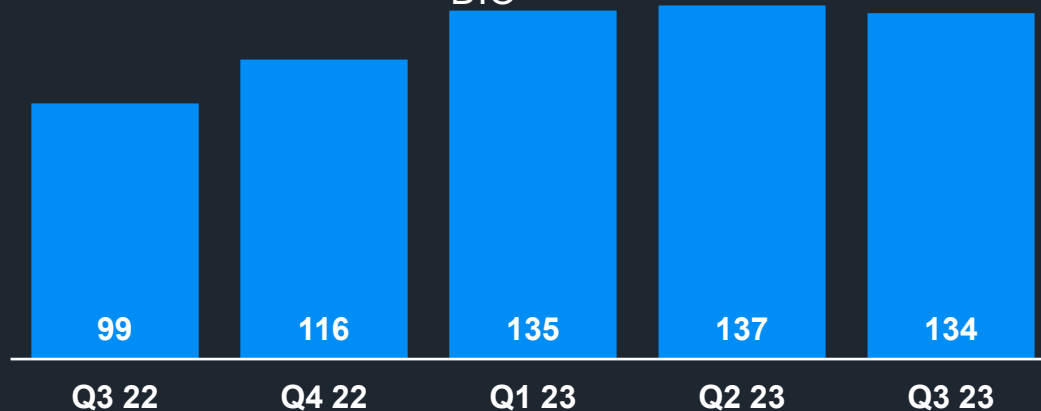
DSO



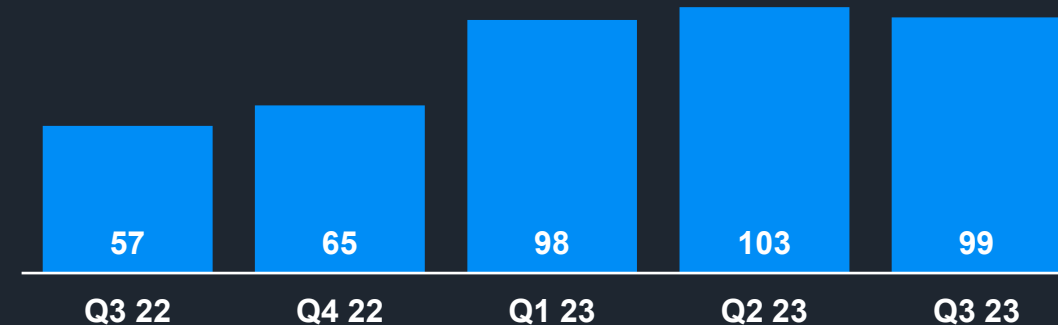
DPO



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. We have reclassified certain amounts related to customer programs previously presented in "Accounts payable" to "Other current liabilities" to conform to current period presentation.
 2. Working capital ratios exclude the effect of the effect of purchase price accounting amortization effects on GAAP COGS;
 3. 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 and the reclassified Account payable amounts

Proven, Resilient and Profitable Financial Model (1,2,3,4)

Financial Metrics	Analyst Day 2018 Forecast	Actual Performance 2018 – 2021A
Total NXP revenue growth	+5 to 7%	5.6%
Non-GAAP gross margin	53 – 57%	56.1%
<i>Non-GAAP R & D %</i>	<i>14 – 16%</i>	<i>16.0%</i>
<i>Non-GAAP SG & A %</i>	<i>6 – 8%</i>	<i>7.2%</i>
Non-GAAP operating profit growth	8 – 14%	10.5%
Non-GAAP operating margin	31 – 34%	32.9%
Non-GAAP cumulative free cash flow	\$7 - \$8B	\$10B

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. 2018 - 2021 Actual Revenue growth reflects rounding

3. Non-GAAP Free Cash Flow defined as cash flow from operations less net capital expenditures on property, plant and equipment

4. Cumulative non-GAAP free cash flow includes the \$2B one-time break up fee associated with failed QCOM acquisition of NXPI received in 2018

Updated Financial Model ^(1,2,3)

Analyst Day 2021 2021 – 2024 CAGR

NXP growth	+8 to 12%
Non-GAAP gross margin	55 to 58%
<i>Non-GAAP R&D</i>	~16%
<i>Non-GAAP SG&A</i>	~7%
Non-GAAP operating margin	32 to 36%
<i>Non-GAAP cash taxes</i>	'22:~15%; '23; ~18%; '24; ~18%
<i>Non-controlling interest</i>	\$35M to \$45M
<i>Net capex</i>	6 to 8%
<i>Stock based compensation</i>	'22: \$380M; '23: \$410M; '24: \$440M
Non-GAAP free-cash flow	Target 25% of revenue
<i>DSO</i>	~30 Days
<i>DPO</i>	~75 Days
<i>DIO</i>	~95 Days

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2. Growth rates are compound annual growth rates from 2021 through 2024E; individual annual growth rates will vary across the horizon
3. All percentages are as a percent of revenue, and assume an annual value, quarter to quarter values will vary

Guidance for the Fourth Quarter of 2023 ^(1,2,3,4,5)

	GAAP			Reconciliation	Non-GAAP		
	<u>Low</u>	<u>Mid</u>	<u>High</u>		<u>Low</u>	<u>Mid</u>	<u>High</u>
Total Revenue	3,300	3,400	3,500		3,300	3,400	3,500
Q-Q	-4%	-1%	2%		-4%	-1%	2%
Y-Y	0%	3%	6%		0%	3%	6%
Gross Profit	1,866	1,941	2,017	(48)	1,914	1,989	2,065
Gross Margin	56.5%	57.1%	57.6%		58.0%	58.5%	59.0%
Operating Income (loss)	928	993	1,059	(211)	1,139	1,204	1,270
Operating Margin	28.1%	29.2%	30.3%		34.5%	35.4%	36.3%
Financial income (expense)	(77)	(77)	(77)	(8)	(69)	(69)	(69)
Tax rate	15.5% - 16.5%				15.5% - 16.5%		
NCI & Other	(9)	(9)	(9)	(3)	(6)	(6)	(6)
Shares	260	260	260		260	260	260
Earnings per share - diluted	2.71	2.92	3.13		3.44	3.65	3.86

1) GAAP Gross Profit is expected to include Purchase Price Accounting ("PPA") effects, \$(13) million; Share-based Compensation, \$(14) million; Other Incidentals, \$(21) million;

2) GAAP Operating Income (loss) is expected to include PPA effects, \$(77) million; Share-based Compensation, \$(106) million; Restructuring and Other Incidentals, \$(28) million;

3) GAAP Financial Income (expense) is expected to include Other financial expense \$(8) million;

4) GAAP Non-Controlling Interest (NCI) and Other includes non-controlling interest \$(6) million and Other \$(3) million;

5) GAAP diluted EPS is expected to include the adjustments noted above for PPA effects, Share-based Compensation, Restructuring and Other Incidentals in GAAP Operating Income (loss), the adjustment for Other financial expense, the adjustment for Non-controlling interest & Other and the adjustment on Tax due to the earlier mentioned adjustments.

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.

Annual Financial Reconciliation (GAAP to non-GAAP)⁽¹⁾

(\$ in millions, unless otherwise stated)	2019	2020	2021	2022
Total Revenue	8,877	8,612	11,063	13,205
GAAP Gross Profit	4,618	4,235	6,067	7,517
Gross profit adjustments	(131)	(165)	(138)	(126)
Non - GAAP Gross Profit	4,749	4,400	6,205	7,643
GAAP Gross Margin	52.0%	49.2%	54.8%	56.9%
Non-GAAP Gross Margin	53.5%	51.1%	56.1%	57.9%
GAAP Operating income (loss)	641	418	2,583	3,797
Operating income adjustments	(1,932)	(1,810)	(1,058)	(994)
Non - GAAP Operating income (loss)	2,573	2,228	3,641	4,791
GAAP Operating Margin	7.2%	4.9%	23.3%	28.8%
Non-GAAP Operating Margin	29.0%	25.9%	32.9%	36.3%
GAAP Financial income (expense)	(350)	(417)	(403)	(434)
Financial income adjustments	(85)	(60)	(38)	(48)
Non - GAAP Financial income (expense)	(265)	(357)	(365)	(386)

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

Annual Cash Flow Overview (\$M)⁽¹⁾

(\$ in millions, unless otherwise stated)	2019	2020	2021	2022
Net cash provided by (used for) operating activities	2,373	2,482	3,077	3,895
Net cash provided by (used for) investing activities	(2,284)	(418)	(934)	(1,249)
Net cash provided by (used for) financing activities	(1,831)	(835)	(1,585)	(1,619)
Effects of changes in exchange rates on cash position	(2)	1	(3)	(12)
Increase (decrease) in cash and cash equivalents	(1,744)	1,230	555	1,015
Cash and cash equivalents at beginning of the period	2,789	1,045	2,275	2,830
Cash and cash equivalents at end of period	1,045	2,275	2,830	3,845
Net cash provided by (used for) operating activities	2,373	2,482	3,077	3,895
Net capital expenditures on property, plant and equipment	(503)	(388)	(766)	(1,061)
Non-GAAP free cash flow	1,870	2,094	2,311	2,834
Trailing 12-month Non-GAAP free cash flow as a percentage of Revenue	21%	24%	21%	21%

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

Annual Adjusted EBITDA (\$M)⁽¹⁾

(\$ in millions, unless otherwise stated)	2019	2020	2021	2022
GAAP Net income (loss)	272	80	1,906	2,833
Reconciling items to EBITDA (Non-GAAP)				
Financial (income) expense	350	417	403	434
(Benefit) provision for income taxes	20	(83)	272	529
Depreciation	518	547	551	605
Amortization	1,529	1,441	711	645
EBITDA (Non-GAAP)	2,689	2,402	3,843	5,046
Reconciling items to Adjusted EBITDA (Non-GAAP)				
Results of equity-accounted investees	(1)	4	2	1
Purchase accounting effect on inventory	8	17	-	-
Restructuring	28	78	1	(7)
Stock-based compensation	346	384	353	364
Merger-related costs	33	8	-	-
Other incidental items	(3)	(101)	33	65
Trailing 12-month Adjusted EBITDA (Non-GAAP)	3,100	2,792	4,232	5,469
1) Excluding amortization and depreciation related to other incidental items	-	8	-	-

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

Quarterly Financial Reconciliation (GAAP to non-GAAP)⁽¹⁾

(\$ in millions, unless otherwise stated)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Total Revenue	3,445	3,312	3,121	3,299	3,434
GAAP Gross Profit	1,967	1,891	1,770	1,881	1,965
Gross profit adjustments	(32)	(31)	(46)	(45)	(45)
Non - GAAP Gross Profit	1,999	1,922	1,816	1,926	2,010
GAAP Gross Margin	57.1%	57.1%	56.7%	57.0%	57.2%
Non-GAAP Gross Margin	58.0%	58.0%	58.2%	58.4%	58.5%
GAAP Operating income (loss)	1,001	980	825	937	992
Operating income adjustments	(270)	(228)	(260)	(218)	(211)
Non - GAAP Operating income (loss)	1,271	1,208	1,085	1,155	1,203
GAAP Operating Margin	29.1%	29.6%	26.4%	28.4%	28.9%
Non-GAAP Operating Margin	36.9%	36.5%	34.8%	35.0%	35.0%
GAAP Financial income (expense)	(98)	(103)	(82)	(74)	(75)
Financial income adjustments	(7)	(8)	(6)	(1)	(10)
Non - GAAP Financial income (expense)	(91)	(95)	(76)	(73)	(65)
GAAP Provision for income taxes			(118)	(158)	(123)
Income tax effect			49	22	45
Non-GAAP Provision for income tax			(167)	(180)	(168)
GAAP Results relating to equity-accounted investees			(2)	(1)	(2)
Results relating to equity-accounted investees			(2)	(1)	(2)
Non-GAAP Results relating to equity-accounted investees			-	-	-
GAAP Net income (loss)			623	704	792
Less: Net income(loss) attributable to non-controlling interests			8	6	5
GAAP Net income (loss) attributable to stockholders			615	698	787
Non-GAAP Net income (loss) attributable to stockholders			834	896	965
GAAP Diluted earnings per share			2.35	2.67	3.01
Non-GAAP Diluted earnings per share			3.19	3.43	3.70

Adjustments to Q3 2023 "GAAP Net income (loss) attributable to stockholders" of \$787 million:

- PPA effects: (\$85M)
- Restructuring: \$4M
- Stock-based compensation: (\$103M)
- Other incidentals: (\$27M)
- Other adjustments: \$33M consisting of
 - Foreign exchange loss: (\$3M)
 - Other financial expense: (\$7M)
 - Income tax effect: \$45M
 - Results relating to equity accounted investees (\$2M)

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

Quarterly Cash Flow Overview (\$M)⁽¹⁾

(\$ in millions, unless otherwise stated)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Net cash provided by (used for) operating activities	1,144	1,076	632	756	988
Net cash provided by (used for) investing activities	(360)	(272)	(351)	(255)	(273)
Net cash provided by (used for) financing activities	(559)	(728)	(198)	(565)	(533)
Effects of changes in exchange rates on cash position	(11)	10	2	(3)	(3)
Increase (decrease) in cash and cash equivalents	214	86	85	(67)	179
Cash and cash equivalents at beginning of the period	3,545	3,759	3,845	3,930	3,863
Cash and cash equivalents at end of period	3,759	3,845	3,930	3,863	4,042
Net cash provided by (used for) operating activities	1,144	1,076	632	756	988
Net capital expenditures on property, plant and equipment	(281)	(233)	(251)	(200)	(200)
Non-GAAP free cash flow	863	843	381	556	788
Trailing 12-month Non-GAAP free cash flow	2,510	2,834	2,638	2,643	2,568
Trailing 12-month Non-GAAP free cash flow as a percentage of Revenue	19%	21%	20%	20%	20%

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

Quarterly Adjusted EBITDA (\$M)^(1,2)

(\$ in millions, unless otherwise stated)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Net income (loss)	750	734	623	704	792
Reconciling items to adjusted net income					
Financial (income) expense	98	103	82	74	75
(Benefit) provision for income taxes	149	137	118	158	123
Depreciation	156	158	160	162	163
Amortization	165	144	123	119	110
Adjusted net income	1,318	1,276	1,106	1,217	1,263
Reconciling items to adjusted EBITDA					
Results of equity-accounted investees	4	6	2	1	2
Restructuring	-	(2)	18	-	(4)
Stock-based compensation	89	97	99	102	103
Other incidental items	33	8	42	21	27
Adjusted EBITDA	1,444	1,385	1,267	1,341	1,391
Trailing 12-month Adjusted EBITDA	5,299	5,469	5,457	5,437	5,384
1) Excluding amortization and depreciation related to other incidental items	-	-	2	-	-

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NXP Investment Thesis



Market leader with
strong revenue growth



Proven financial model with
resilient profitability



Reliable capital return policy of
robust free cash flow



SECURE CONNECTIONS
FOR A SMARTER WORLD