



# NXP Semiconductors Investor Presentation

April 2013



# Forward Looking Statement

This document includes forward-looking statements which include statements regarding our 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: 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, our ability to generate sufficient cash, raise sufficient capital or refinance our debt at or before maturity to meet both our debt service and research and development and capital investment requirements, 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 rectify them quickly, our ability to form strategic partnerships and joint ventures and successfully cooperate with our alliance partners, our ability to win competitive bid selection processes to develop products for use in our customers' equipment and products, our ability to successfully establish a brand identity, our ability to successfully hire and retain key management and senior product architects; and, our ability to maintain good relationships with our suppliers. In addition, this document contains information concerning the semiconductor industry and our 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, our market segments and product areas will develop. We have based these assumptions on information currently available to us, if any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While we do not know what impact any such differences may have on our business, if there are such differences, our future results of operations and financial condition, and the market price of the notes, 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; and, except for any ongoing obligation to disclose material information as required by the United States federal securities laws, we do 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 filings are available from our Investor Relations department or from the SEC website, [www.sec.gov](http://www.sec.gov).

# Business Strategy

1 Focused on high growth application segments fueled by key mega-trends

2 Leverage unique HPMS capabilities to power new product engine

3 Multiple growth drivers across a range of target applications

4 Margin expansion into long-term model

5 Capital structure de-leveraging

Above-market  
Sales Growth



Unparalleled  
Earnings Leverage



# Focused on Growth from Key Mega Trends

Key Mega-Trends (>\$1,100 billion spend<sup>1</sup>)



Energy  
Efficiency



Connected  
Devices



Security



Health

require

## High-Performance Mixed-Signal Solutions

Application-optimized analog and digital solutions that help our customers to truly differentiate their products in terms of features, cost and time to market

to address

## Highest Growth Segments in 8 Priority Application Areas

Automotive



Identification



Wireless  
Infrastructure



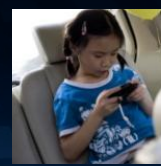
Lighting



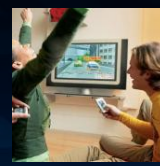
Industrial



Mobile



Consumer



Computing



# Competitive HPMS Product Franchises

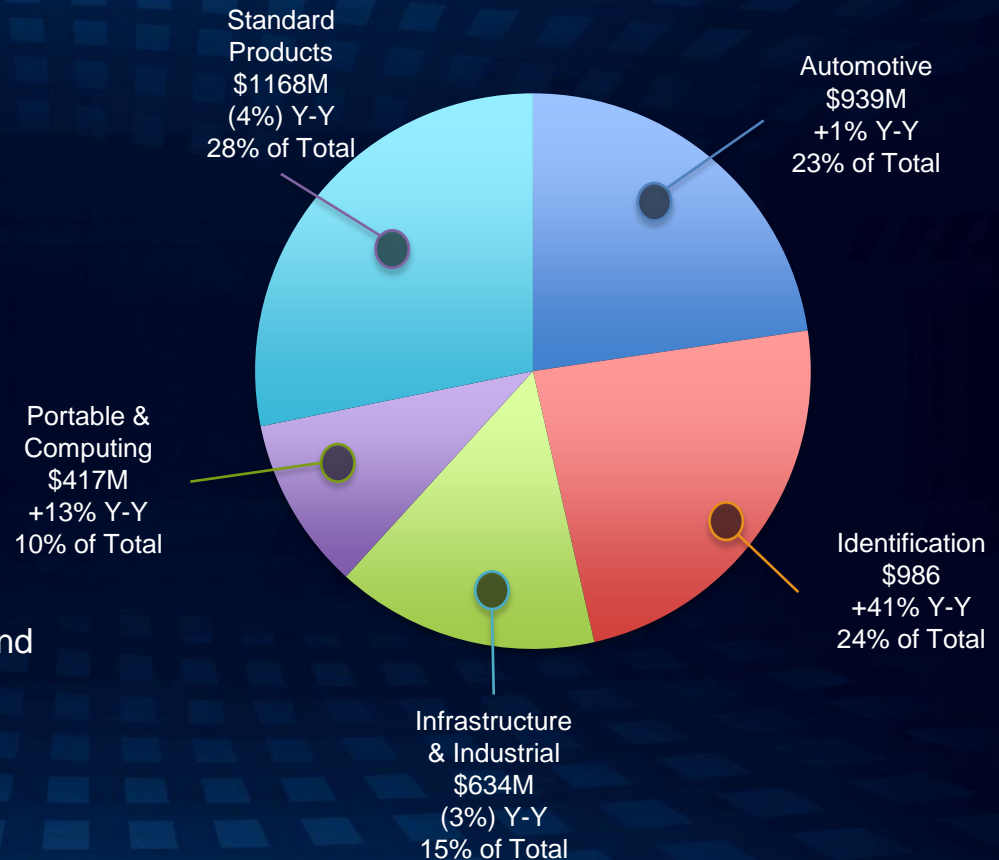
## Characteristics of HPMS Market

- Large and fast growing
- Broad and diverse customer base
- High barriers to entry
- “Sticky” customer relationships
- Long product life cycles
- Greater price stability
- Sustainable and higher margins

## Competitive Advantages

- Deep IP and patent portfolio
- Leading RF, cryptography, mixed-signal, power and system design capabilities
- Broad mixed signal product portfolio
- Differentiated process technology
- World-class mixed-signal and packaging manufacturing assets

## 2012 Product Segment Contribution<sup>(1)</sup> (\$M)



# NXP Business Trends<sup>(1)</sup>

## Revenue (\$M)



## Non-GAAP Gross Margin



## Non-GAAP Operating Margin

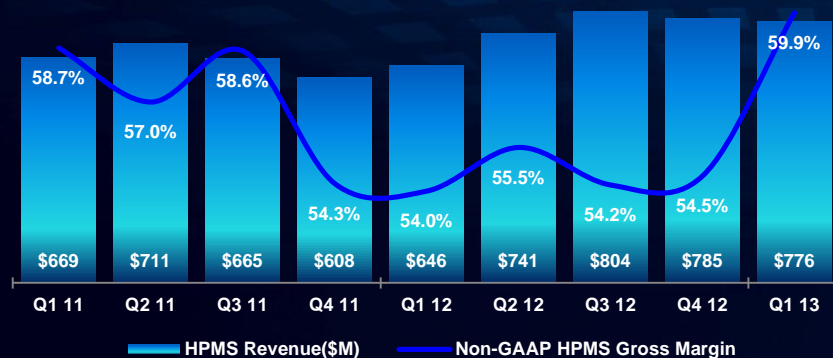


## Adj. EBITDA Margin

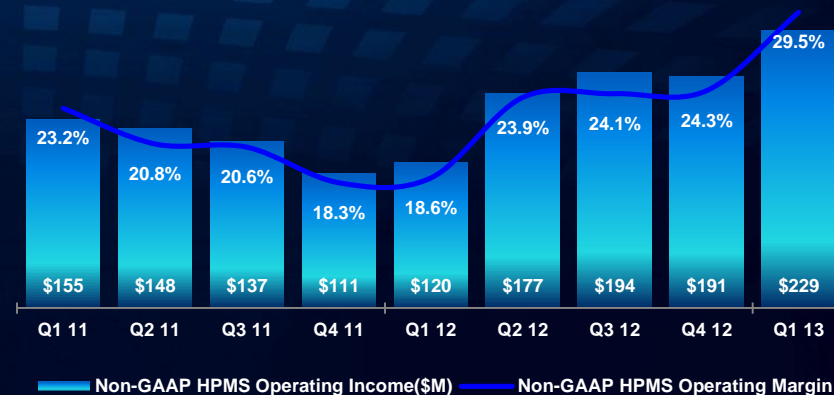


# Business Segment Revenue and Margin Trends<sup>(1)</sup>

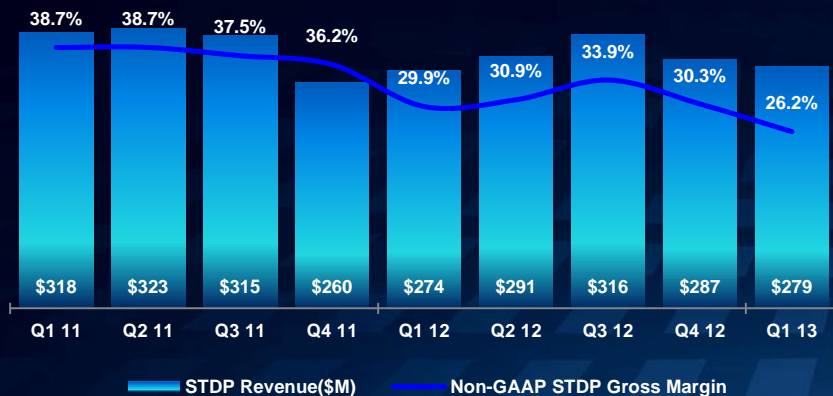
## HPMS Revenue and Gross Margin



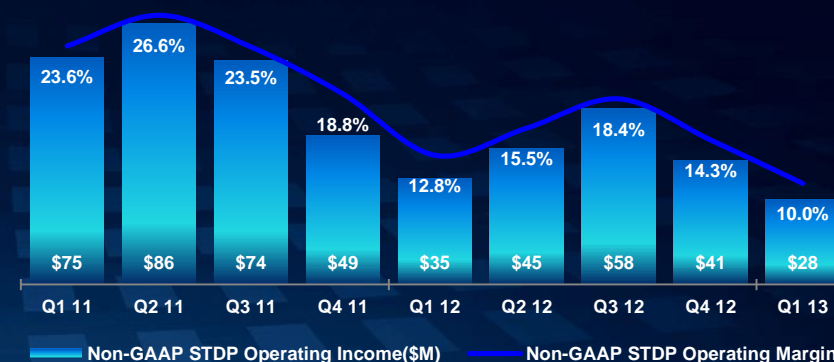
## HPMS Operating Income and Margin



## STDP Revenue and Gross Margin



## STDP Operating Income and Margin



# HPMS Revenue Business Trends<sup>(1)</sup> (\$M)

## Automotive



## Identification



## Infrastructure and Industrial



## Portable and Computing





2012 Revenue = \$986M, 24% Product Revenue

```

graph TD
    Infrastructure --> eGov
    Infrastructure --> Transport[Transport & Access]
    Infrastructure --> RFID
    Infrastructure --> NFC
    eGov --> NFC
    Transport --> RFID
    RFID --> NFC
  
```

The diagram illustrates the relationship between various technologies and their applications. The central node is **Infrastructure**. It connects to **eGov**, **Transport & Access**, **RFID**, and **NFC**. **eGov** connects to **NFC**. **Transport & Access** connects to **RFID**. **RFID** connects to **NFC**.

*Authentication*

A collage of logos for various companies, including GE, gemalto, Oberthur Card Systems, SAMSUNG, Google, htc, NOKIA, Microsoft, VeriFone, KEBT, LG, ZTE, AVERY DENNISON, BUNDES DRUCKEREI, SMARTTRAC, and DELL.

- **Secular market trends and solutions**
  - Electronic Mobile Payments → Smart**MX**™
  - Security & Trusted Access → Smart@**ID**™
  - Secure Connected Mobility → MIFARE™
  - Counterfeit prevention
- **Market leader and innovator in identification market**
  - Co-inventor of NFC with broad IP patent portfolio
  - Leader in field proven contactless interoperability
  - Proven vendor with complete NFC solution
  - Strategic collaboration with Google
- **Recent innovations to drive growth**
  - NXP is driving broad-based NFC ecosystem adoption
  - Authentication / Product tagging for inventory control
  - New opportunities: e-metering, car control, telematics



# Identification Market Opportunities

	Core	Emerging
	eGovernment, Payment, Smart Mobility, Tagging, Infrastructure	Mobile Transactions (excl. Bulk-SIM), Authentication
<b>Market Size<sup>1</sup></b>	<b>\$1.47B</b>	<b>\$0.36B</b>
<b>Market Growth Rate<sup>2</sup></b>	<b>12%</b>	<b>37%</b>
<b>Market Share<sup>3</sup></b>	<b>44%</b>	<b>12%</b>
<b>NXP Rank<sup>4</sup></b>	<b>#1</b>	<b>#1 in Mobile, entering Authentication</b>
<b>Key Products</b>	<ul style="list-style-type: none"> <li>• End to end system solutions</li> <li>• Secure Microcontrollers for Contact &amp; Contactless applications</li> <li>• Secure software</li> <li>• Packaging &amp; antenna solutions</li> </ul>	<ul style="list-style-type: none"> <li>• End to end system solutions</li> <li>• NFC Radio and Secure Elements for embedded, SWP-SIM and microSD</li> <li>• Secure software</li> <li>• Packaging &amp; antenna solutions</li> </ul>
<b>Key Competitors</b>	<ul style="list-style-type: none"> <li>• IFX</li> <li>• Renesas</li> </ul>	<ul style="list-style-type: none"> <li>• SSG</li> <li>• BRCM</li> <li>• STM</li> <li>• INSD</li> </ul>

Source:

(1) Market size based on NXP CMI internal research of applicable peers for 2011; (2) Market growth rate is 3-yr. CAGR based on NXP CMI research for 2012 – 2015;

(3) Market share based on NXP CMI internal research versus applicable peers for 2011; (4) NXP rank based on NXP CMI research in 2011

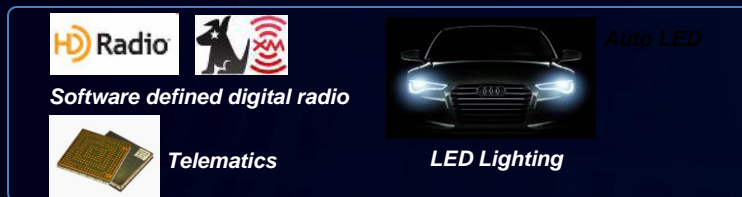
# Automotive

2012 Revenue = \$939M, 23% Product Revenue

## Key Positions



## Emerging Growth Engines

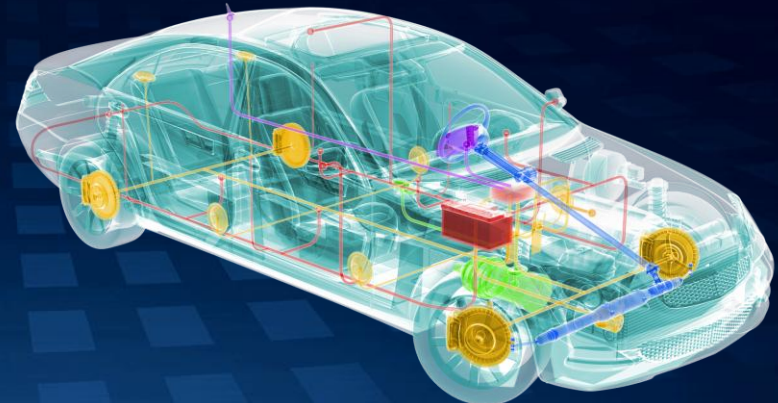


## Aligned with Market Leaders



## Highlights

- **Secular market trends and characteristics**
  - Focus on reduced CO<sub>2</sub>, mobility and convenience
  - High barriers to entry and long product life-cycles
  - Auto electronics market to grow above market
    - High growth in BRIC countries
- **Market leader for > 80% of automotive revenue**
  - #3 in China, #5 world-wide
  - Focus on high margin segments
- **Recent innovations to drive growth**
  - First multi-standard digital software-defined radio
  - First single-chip digital radio for terrestrial radio
  - First with new “FlexRay” in-car networking standard





# Automotive Market Opportunities

	Core				Emerging
	Car Entertainment	In-Vehicle Networking	Car Access	Magnetic Sensors	Business
<b>Market Size<sup>1</sup></b>	<b>\$1.2B</b>	<b>\$0.5B</b>	<b>\$0.4B</b>	<b>\$0.8B</b>	<b>\$0.2B</b>
<b>Market Growth Rate<sup>2</sup></b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>5%</b>	<b>40%</b>
<b>Market Share<sup>3</sup></b>	<b>35%</b>	<b>52%</b>	<b>41%</b>	<b>12%</b>	<b>0%</b>
<b>NXP Rank<sup>4</sup></b>	<b>#1</b>	<b>#1</b>	<b>#1</b>	<b>#3</b>	<b>N/A</b>
<b>RMS<sup>5</sup></b>	<b>1.5</b>	<b>2.3</b>	<b>2.6</b>	<b>0.4</b>	<b>N/A</b>
<b>Key Products</b>	<ul style="list-style-type: none"> <li>• Tuners</li> <li>• DSPs</li> <li>• Audio Amps</li> </ul>	<ul style="list-style-type: none"> <li>• CAN/LIN</li> <li>• FlexRay</li> <li>• Ethernet</li> </ul>	<ul style="list-style-type: none"> <li>• Immobilization</li> <li>• Keyless Entry/Go</li> <li>• SmartKey</li> </ul>	<ul style="list-style-type: none"> <li>• ABS Sensors</li> <li>• Angular Sensors</li> <li>• Temp. Sensors</li> </ul>	<ul style="list-style-type: none"> <li>• LED Drivers</li> <li>• Intelligent Traffic Management</li> </ul>
<b>Key Competitors</b>	<ul style="list-style-type: none"> <li>• STM</li> <li>• TXN</li> <li>• SLAB</li> </ul>	<ul style="list-style-type: none"> <li>• IFX</li> <li>• ATML</li> <li>• TXN</li> </ul>	<ul style="list-style-type: none"> <li>• TXN</li> <li>• ATML</li> </ul>	<ul style="list-style-type: none"> <li>• IFX</li> <li>• Allegro</li> <li>• MELE</li> </ul>	<ul style="list-style-type: none"> <li>• LLTC</li> <li>• TXN</li> </ul>

Source:

(1) Market size based on NXP CMI internal research of applicable peers for 2011; (2) Market growth rate is 3-yr. CAGR based on NXP CMI research for 2012 – 2015;

(3) Market share based on NXP CMI internal research versus applicable peers for 2011; (4) NXP rank 2011; (5) Relative Market Share 2011



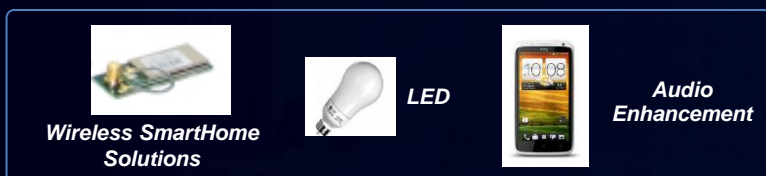
# Infrastructure and Industrial<sup>(1)</sup>

2012 Revenue = \$634M, 15% Product Revenue

## Key Positions



## Emerging Growth Engines

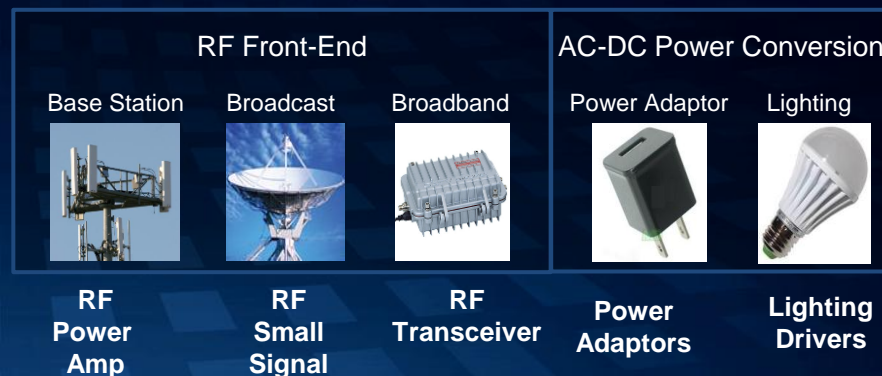


## Aligned with Market Leaders



## Highlights

- **Secular market trends**
  - Mobile data usage driving cellular base-station upgrade
  - Increased demand for energy efficient lighting
  - Emerging market for centralized smart grid control
- **Market leader**
  - Market leader in RF silicon tuners for DTV/STB/CMTS
  - Innovator of *GreenChip* high voltage power supply
  - Innovator in low power networked environmental control
    - Lighting control (CFL and LED)
    - Low power RF - wireless access (IEEE 802.15)
- **Recent innovations to drive growth**
  - Smart home RF connectivity
  - Focus on low voltage power supply
  - Personal Health portfolio based on low power RF



# Infrastructure & Industrial Market Opportunities

	Mature	Core				Emerging
	RF Transceivers	High Performance RF		Power & Lighting Solutions		Emerging Business
		Power Amplifier	Small Signal	Power Adapters	Lighting Drivers	
Market Size <sup>1</sup>	\$0.51B	\$0.93B	\$1.10B	\$0.62B	\$0.18B	\$1.35B
Market Growth Rate <sup>2</sup>	2%	4%	6%	5%	19%	14%
Market Share <sup>3</sup>	24%	23%	11%	8%	16%	3%
NXP Rank <sup>4</sup>	#1	#2	#3	#4	#1	N/A
Key Products	<ul style="list-style-type: none"> <li>• Silicon Tuners</li> </ul>	<ul style="list-style-type: none"> <li>• BST PA &amp; MMIC</li> <li>• Broadcast PA</li> <li>• A&amp;D PA</li> </ul>	<ul style="list-style-type: none"> <li>• LNA, VGA</li> <li>• BST IC's</li> <li>• Building blocks</li> </ul>	<ul style="list-style-type: none"> <li>• AC/DC Controllers</li> <li>• AC/DC Regulators</li> </ul>	<ul style="list-style-type: none"> <li>• TL/HID drivers</li> <li>• CFL drivers</li> <li>• LED drivers</li> </ul>	<ul style="list-style-type: none"> <li>• Smart Audio Amplifier</li> <li>• Healthcare</li> <li>• Low power RF</li> <li>• IPCAM</li> </ul>
Key Competitors	<ul style="list-style-type: none"> <li>• MXL</li> <li>• SLAB</li> <li>• RDA</li> </ul>	<ul style="list-style-type: none"> <li>• FSL</li> <li>• IFX</li> </ul>	<ul style="list-style-type: none"> <li>• ADI</li> <li>• TXN</li> <li>• SWKS</li> <li>• HITT</li> </ul>	<ul style="list-style-type: none"> <li>• ONNN</li> <li>• STM</li> <li>• FCS</li> <li>• POWI</li> </ul>	<ul style="list-style-type: none"> <li>• POWI</li> <li>• iWatt</li> <li>• TXN</li> <li>• FCS</li> </ul>	<ul style="list-style-type: none"> <li>• TXN</li> <li>• WLF</li> <li>• SLAB</li> <li>• STM</li> </ul>

Source:

(1) Market size based on NXP CMI internal research of applicable peers for 2011; (2) Market growth rate is 3-yr. CAGR based on NXP CMI research for 2012 – 2015;

(3) Market share based on NXP CMI internal research versus applicable peers for 2011; (4) NXP rank based on NXP CMI research in 2011

# Portable and Computing<sup>(1)</sup>

2012 Revenue = \$417M, 10% Product Revenue

## Key Positions



32-bit ARM MCU



Interface ICs: P2C, Bridging ICs, UARTS, LP RTC

## Emerging Growth Engines



## Aligned with Market Leaders



## Highlights

### ■ Secular market trends

- Increased demand for energy efficiency
- Low power mixed-signal integration
- Shift toward embedded ARM-architecture

### ■ Multi-market leader

- High-speed interface product portfolio focused on
  - Portable applications
  - Enterprise computing applications
- 32-bit ARM MCU
  - Focused on ARM M0, M3, M4 cores
  - Leverage broad analog interface IP portfolio
  - Industrial, white goods and mobile focus

### ■ Recent innovations to drive growth

- High-speed system management
  - Voltage level shifting
  - Mobile-LED lighting management
- Semi-custom high-speed interface products
  - Leveraging IP and applications knowledge



# Portable & Computing Market Opportunities

	Core		Emerging
	Interface Products	MCU	Mobility
<b>Market Size<sup>1</sup></b>	\$2.1B	\$3B	\$5B
<b>Market Growth Rate<sup>2</sup></b>	4%	4%	10%
<b>Market Share<sup>3</sup></b>	11%	7%	0%
<b>NXP Rank<sup>4</sup></b>	#1 I2C, Multiprotocol	#11 MCU	N/A
<b>Key Products</b>	<ul style="list-style-type: none"> <li>• Auto Display Drivers</li> <li>• Display Port</li> <li>• Thunderbolt</li> <li>• GPIO</li> <li>• UART</li> <li>• Level Shifters</li> </ul>	<ul style="list-style-type: none"> <li>• Industrial Control</li> <li>• Building Automation</li> <li>• Consumer</li> </ul>	<ul style="list-style-type: none"> <li>• Smart Power</li> <li>• High Speed Smart Switches</li> <li>• Connector Hub</li> <li>• Sensor Hub</li> </ul>
<b>Key Competitors</b>	<ul style="list-style-type: none"> <li>• TXN</li> <li>• ADI</li> <li>• STM</li> </ul>	<ul style="list-style-type: none"> <li>• STM</li> <li>• FSL</li> <li>• Renesas</li> </ul>	<ul style="list-style-type: none"> <li>• TXN</li> <li>• STM</li> <li>• MXIM</li> </ul>



# Standard Products<sup>(1)</sup>

2012 Revenue = \$1,168M, 28% Product Revenue

## Key Positions



Small signal diodes & transistors



General purpose logic



ESD protection devices



Low & medium power thyristors



Low voltage automotive MOSFETs

## Emerging Growth Engines



Standard linear



Smart analog

## Serving all global players worldwide



## Highlights

- Addressing product requirements driven by key trends:
  - Computing, Consumer & Mobile convergence
  - Cloud Migration
  - Internet of Things
  - Increasing efficiency & connectivity standards
  - Shorter demand/supply cycles
- NXP Standard Products Solutions
  - Smaller, faster, cooler package solutions
  - Miniaturization
  - Power Efficiency
  - Protection & Filtering
- Benefits of Standard Products to HPMS segment
  - Market Reach: #2 Global distribution footprint
  - Industry Scale: In-house back-end mfg. output
  - Drives corporate wide high quality standards - failure rate measured in parts per billion (ppb)

# Standard Products Market Opportunities

	Core					Emerging	Emerging
	General Purpose Logic	Small Signal Discretes	ESD Protection & Signal Conditioning	Low Voltage Power MOSFETs	Bipolar Power	Standard Linear	Smart Analog
Market Size <sup>1</sup>	\$1.4B	\$2.9B	\$0.7B	\$3.5B	\$1.4B	\$0.4B	\$1.3B
Market Growth Rate <sup>2</sup>	3%	2%	3%	3%	2%	3%	4.2%
Market Share <sup>3</sup>	22%	16%	19%	4%	5%	4%	5%
NXP Rank <sup>4</sup>	#2	#2	#2	#8	#6	N/A	N/A
Key Products	<ul style="list-style-type: none"> <li>• Switches and Translators</li> <li>• Configurable and Combination Logic</li> <li>• Comparators</li> <li>• Supervisory IC's</li> </ul>	<ul style="list-style-type: none"> <li>• Diodes &amp; Transistors</li> <li>• Small Signal MOSFET's</li> </ul>	<ul style="list-style-type: none"> <li>• ESD protection devices</li> <li>• TVS diodes and Surge protection devices</li> <li>• EMI filters with ESD protection</li> </ul>	<ul style="list-style-type: none"> <li>• Low voltage power MOSFETs for automotive &amp; high speed switching applications</li> </ul>	<ul style="list-style-type: none"> <li>• Low &amp; Medium Power Thyristors</li> <li>• Smart Triacs</li> <li>• Rectifiers</li> </ul>	<ul style="list-style-type: none"> <li>• Voltage regulators for the mobile, computing &amp; consumer markets</li> </ul>	<ul style="list-style-type: none"> <li>• Switches &amp; translators</li> <li>• Comparators</li> <li>• Load switches, OVP, OCP protection</li> </ul>
Key Competitors	<ul style="list-style-type: none"> <li>• TXN</li> <li>• TOS</li> <li>• ONNN</li> </ul>	<ul style="list-style-type: none"> <li>• Rohm</li> <li>• ONNN</li> <li>• DIOD</li> </ul>	<ul style="list-style-type: none"> <li>• ONNN</li> <li>• STM</li> </ul>	<ul style="list-style-type: none"> <li>• IFX</li> <li>• REN</li> <li>• FSC</li> </ul>	<ul style="list-style-type: none"> <li>• STM</li> <li>• ONNN</li> <li>• VSH</li> </ul>	<ul style="list-style-type: none"> <li>• TXN</li> <li>• STM</li> </ul>	<ul style="list-style-type: none"> <li>• TXN</li> <li>• FSC</li> <li>• ONNN</li> </ul>

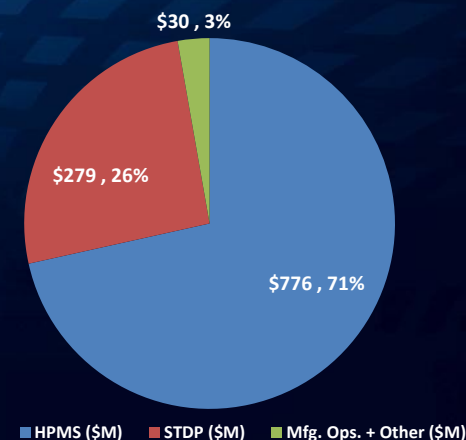
Source:

# Q1 2013 Quarterly Revenue and Operating Income<sup>(1)</sup>

## GAAP Financial Summary

(\$ in millions)	Q1 2013	Q4 2012	Q1 2012	Y-Y Variance Q1 '12 – Q1 '13	Q-Q Variance Q4 '12 – Q1 '13
<b>Product Revenue</b>	<b>1055</b>	<b>1072</b>	<b>920</b>	<b>135</b>	<b>(17)</b>
<b>All Other</b>	<b><u>30</u></b>	<b><u>44</u></b>	<b><u>58</u></b>	<b><u>(28)</u></b>	<b><u>(14)</u></b>
<b>Total Revenue</b>	<b>1085</b>	<b>1116</b>	<b>978</b>	<b>107</b>	<b>(31)</b>
<b>Gross Profit</b>	<b>483</b>	<b>490</b>	<b>424</b>	<b>59</b>	<b>(7)</b>
Percent of total revenue	44.5%	43.9%	43.4%	1.1pts	0.6pts
<b>Operating income</b>	<b>115</b>	<b>33</b>	<b>55</b>	<b>60</b>	<b>82</b>
Percent of total revenue	10.6%	3.0%	5.6%	5.0pts	7.6pts

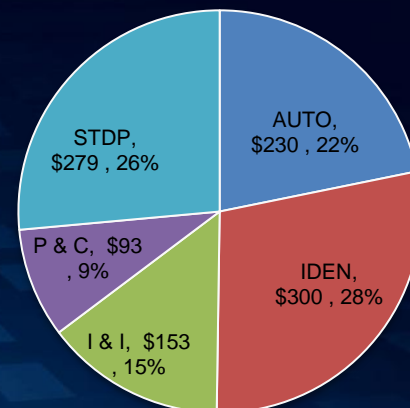
## Quarterly Segment Revenue:



## Non-GAAP Financial Summary

(\$ in millions)	Q1 2013	Q4 2012	Q1 2012	Y-Y Variance Q1 '12 – Q1 '13	Q-Q Variance Q4 '12 – Q1 '13
<b>Gross Profit</b>	<b>537</b>	<b>515</b>	<b>433</b>	<b>104</b>	<b>22</b>
Percent of total revenue	49.5%	46.1%	44.3%	5.2pts	3.4pts
<b>Operating income</b>	<b>255</b>	<b>225</b>	<b>150</b>	<b>105</b>	<b>30</b>
Percent of total revenue	23.5%	20.2%	15.3%	8.2pts	3.3pts

## Quarterly Product Revenue (% of Product Revenue):





# Q1 2013 Business Segment Performance<sup>(1)</sup>

## GAAP Financial Summary

HPMS (\$ in millions)	Q1 2013	Q4 2012	Q1 2012	Y-Y	Q-Q
Revenue	776	785	646	130	(9)
Gross Profit	417	427	347	70	(10)
Gross Margin	53.7%	54.4%	53.7%	-	(0.7pts)
Operating income	123	105	63	60	18
Operating Margin	15.9%	13.4%	9.8%	6.1pts	2.5pts

STDP (\$ in millions)	Q1 2013	Q4 2012	Q1 2012	Y-Y	Q-Q
Revenue	279	287	274	5	(8)
Gross Profit	70	70	81	(11)	-
Gross Margin	25.1%	24.4%	29.6%	(4.5pts)	0.7pts
Operating income	7	2	18	(11)	5
Operating Margin	2.5%	0.7%	6.6%	(4.1pts)	1.8pts

## Non-GAAP Financial Summary

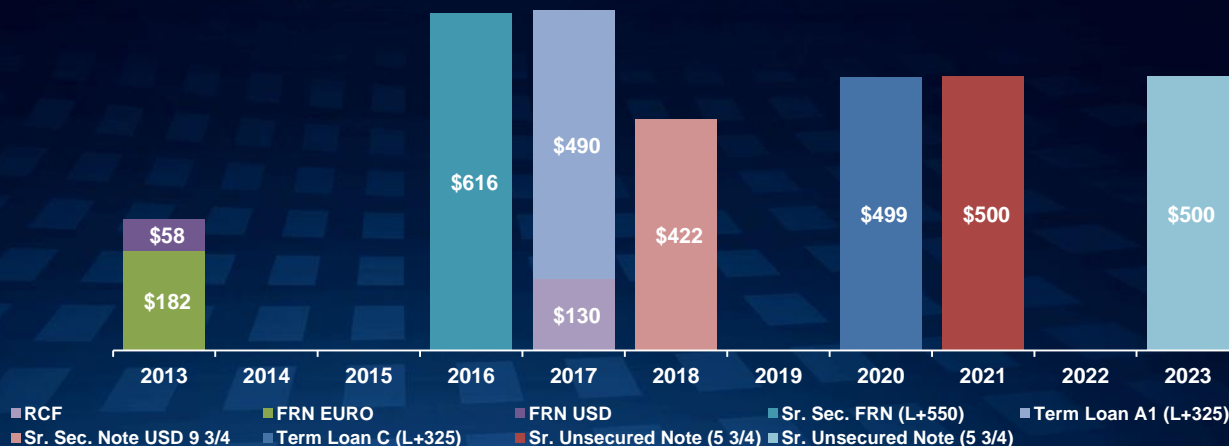
HPMS (\$ in millions)	Q1 2013	Q4 2012	Q1 2012	Y-Y	Q-Q
Gross Profit	465	428	349	116	37
Gross Margin	59.9%	54.5%	54.0%	5.9pts	5.4pts
Operating income	229	191	120	109	38
Operating Margin	29.5%	24.3%	18.6%	10.9pts	5.2pts

STDP (\$ in millions)	Q1 2013	Q4 2012	Q1 2012	Y-Y	Q-Q
Gross Profit	73	87	82	(9)	(14)
Gross Margin	26.2%	30.3%	29.9%	(3.7pts)	(4.1pts)
Operating income	28	41	35	(7)	(13)
Operating Margin	10.0%	14.3%	12.8%	(2.8pts)	(4.3pts)



# Debt Summary March 31, 2013

Debt Instrument	Sr. Secured FRN	Sr. Secured FRN	Sr. Secured FRN	Term Loan A1	Sr. Secured Notes	Term Loan C	Sr. Unsecured Notes	Sr. Unsecured Notes	Revolving Credit Facility
Issue Date	15-Oct-06	15-Oct-06	01-Nov-11	05-Mar-11	20-Jul-10	12-Dec-12	14-Feb-13	12-Mar-13	27-Apr-12
Maturity Date	15-Oct-13	15-Oct-13	15-Nov-16	04-Mar-17	01-Aug-18	11-Jan-20	15-Feb-21	15-Mar-23	01-Mar-17
Issued Amount (M)	€ 1,000	\$1,535	\$616	\$500	\$1,000	\$500	\$500	\$500	€ 620
Book Value (M)	€ 142	\$58	\$609	\$488	\$422	\$496	\$500	\$500	€ 101
Outstanding Amount (M)	€ 142	\$58	\$616	\$490	\$422	\$499	\$500	\$500	€ 101
Coupon	Libor + 275 bps	Libor + 275 bps	Libor + 550 bps	Libor + 325 bps	9.75%	Libor + 350bps	5.75%	5.75%	Libor + 250 bps
Floor	N/A	N/A	N/A	125 bps	NA	125 bps	NA	NA	
Next Call	15-Oct-10	15-Oct-10	15-Nov-13	4-Mar-13	1-Aug-14	6-Dec-13	16-Feb-17	15-Mar-18	
Price	100	100	100	102	105	101	103	103	
Future Call			15-Nov-14	4-Mar-14	1-Aug-15	10-Dec-14	16-Feb-18	15-Mar-19	
Price			100	101	102	100	101	102	
Rating									
Moody's	B1	B1	B1	B1	B1	B1	B3	B3	
Standard & Poor's	B+	B+	B+	B+	B+	B+	B	B	BB
Total Debt (\$M)	\$ 3,440								
Total Cash (\$M)	\$ 595								
Net Debt (\$M)	\$ 2,845								
TTM Adj. EBITDA	\$ 1,195								
Net Debt / Adj. EBITDA	2.4X								
Average Cost of Debt	5.61%								

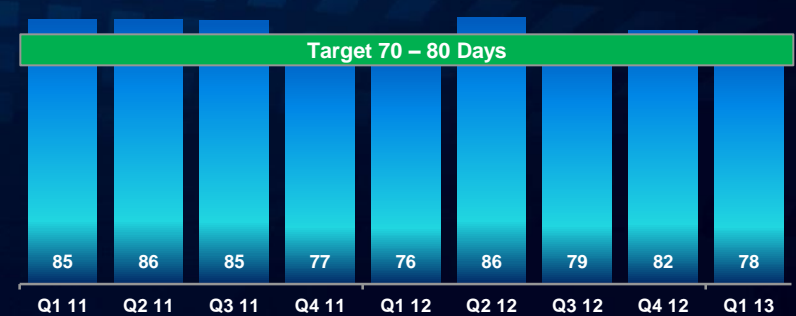


# Working Capital Ratios

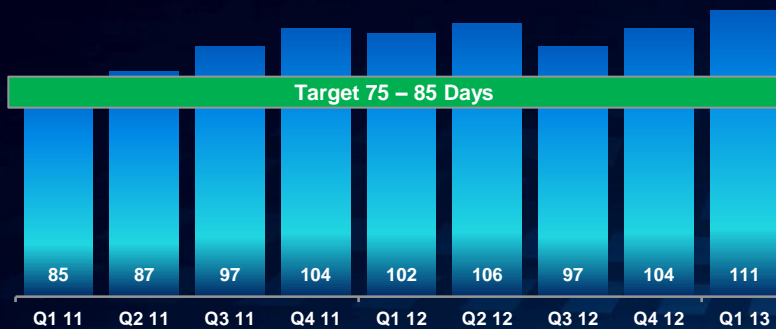
## DSO



## DPO



## DIO



## Cash Conversion Cycle



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

$$\text{DPO} = (91.25 \times \text{AP}) / \text{GAAP COGS}$$

$$\text{DIO} = (91.25 \times \text{Inventory}) / \text{GAAP COGS}$$

$$\text{Cash Conversion Cycle} = \text{DIO} + \text{DSO} - \text{DPO}$$

# Guidance for the Second Quarter of 2013<sup>(1)</sup>

	Guidance Range		
	<u>Low</u>	<u>Mid</u>	<u>High</u>
<b>Product Revenue</b>	<b>\$ 1,121</b>	<b>\$ 1,153</b>	<b>\$ 1,184</b>
Q-Q	6%	9%	12%
Mfg. & Other Revenue	<u>\$ 26</u>	<u>\$ 26</u>	<u>\$ 26</u>
<b>Total Revenue</b>	<b>\$ 1,147</b>	<b>\$ 1,179</b>	<b>\$ 1,210</b>
Q-Q	6%	9%	12%
<b>Non-GAAP Gross Profit</b>	<b>\$ 531</b>	<b>\$ 546</b>	<b>\$ 562</b>
Non-GAAP Gross Margin	46%	46%	46%
<b>Non-GAAP Operating Income</b>	<b>\$ 237</b>	<b>\$ 247</b>	<b>\$ 258</b>
Non-GAAP Operating Margin	21%	21%	21%
Interest Expense	\$ 48	\$ 48	\$ 48
Cash Taxes	\$ 12	\$ 12	\$ 12
Non-controlling Interest	<u>\$ 17</u>	<u>\$ 17</u>	<u>\$ 17</u>
Non-GAAP Net Income	<b>\$ 160</b>	<b>\$ 170</b>	<b>\$ 181</b>
Ave. Diluted Shares	259	259	259
<b>Non - GAAP EPS</b>	<b>\$ 0.62</b>	<b>\$ 0.66</b>	<b>\$ 0.70</b>

Product Revenue trends, on a percentage point basis at the mid-point of 2Q13 guidance:

1. Identification is expected to be up in the low double digit range Q-Q;
2. Automotive is expected to be up in the upper single digit range Q-Q;
3. Infrastructure and Industrial is expected to be up in the low teens range Q-Q;
4. Portable and Computing is expected to be up about 10 % Q-Q;
5. Standard Products is expected to be up in the low to mid single digit range Q-Q

Note (1): NXP has based the guidance included in our earnings press release issued on April 23, 2013 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 earnings press release. 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 provided in our earnings press release issued on April 23, 2013. In relation to the use of non-GAAP financial information see the note regarding "Use of Non-GAAP Financial Information" included in our earnings press release issued on April 23, 2013. 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 in our earnings press release issued on April 23, 2013, to reflect future events or circumstances. Considering the uncertain magnitude and variability of the foreign exchange consequences upon "PPA effects", "restructuring costs", "other incidental items" and any interest expense or taxes in future periods, management believes that GAAP financial measures are not available for NXP on a forward looking basis.

# Q1 2013 Financial Reconciliation (GAAP to non-GAAP)

(\$ in millions, unless otherwise stated)	Q1 2013	Q4 2012	Q1 2012
<b>Total Revenue</b>	<b>1085</b>	<b>1116</b>	<b>978</b>
<b>GAAP Gross Profit</b>	<b>483</b>	<b>490</b>	<b>424</b>
Gross profit adjustments	(54)	(25)	(9)
<b>Non - GAAP Gross Profit</b>	<b>537</b>	<b>515</b>	<b>433</b>
<b>GAAP Gross Margin</b>	<b>44.5%</b>	<b>43.9%</b>	<b>43.4%</b>
<b>Non-GAAP Gross Margin</b>	<b>49.5%</b>	<b>46.1%</b>	<b>44.3%</b>
<b>GAAP Operating income (loss)</b>	<b>115</b>	<b>33</b>	<b>55</b>
Operating income adjustments	(140)	(192)	(95)
<b>Non - GAAP Operating income (loss)</b>	<b>255</b>	<b>225</b>	<b>150</b>
<b>GAAP Operating Margin</b>	<b>10.6%</b>	<b>3.0%</b>	<b>5.6%</b>
<b>Non-GAAP Operating Margin</b>	<b>23.5%</b>	<b>20.2%</b>	<b>15.3%</b>
<b>GAAP Financial income (expense)</b>	<b>(152)</b>	<b>(153)</b>	<b>(73)</b>
Financial income adjustments	(103)	(98)	3
<b>Non - GAAP Financial income (expense)</b>	<b>(49)</b>	<b>(55)</b>	<b>(76)</b>
<b>GAAP Income tax benefit (expense)</b>	<b>(11)</b>	<b>7</b>	<b>5</b>
Adjustments	(4)	17	9
<b>Non - GAAP Cash tax (expense)<sup>(1)</sup></b>	<b>(7)</b>	<b>(10)</b>	<b>(4)</b>
<b>GAAP Net income (loss) attributable to shareholders</b>	<b>(14)</b>	<b>(116)</b>	<b>(24)</b>
Net income (loss) adjustments	(200)	(258)	(81)
<b>Non - GAAP Net income (loss) attributable to shareholders</b>	<b>186<sup>(2)</sup></b>	<b>142</b>	<b>57</b>
<b>GAAP Diluted net income (loss) per share attributable to shareholders</b>	<b>(0.06)</b>	<b>(0.47)</b>	<b>(0.10)</b>
<b>Non - GAAP Diluted net income (loss) per share attributable to shareholders</b>	<b>0.72</b>	<b>0.56</b>	<b>0.23</b>

1. Cash income taxes paid during the period
2. Includes:
  - Other Adjustments COGS: (\$46M)
  - PPA effects: (\$67M);
  - Restructuring: (\$4M);
  - Stock-based compensation: (\$17M)
  - Other incidentals: (\$6M);
  - Foreign exchange loss on debt: (\$53M);
  - Loss on extinguishment of LT debt: (\$37M)
  - Other financial expense: (\$13M);
  - Results relating to equity-accounted investees: \$47M;
  - Difference between book and cash income taxes: (\$4M)



# Quarterly Cash Flow Overview (\$M)

	Q1 2013	Q4 2012	Q1 2012
<b>Net cash provided by (used for) operating activities</b>	<b>119</b>	<b>164</b>	<b>97</b>
<b>Net cash provided by (used for) investing activities</b>	<b>(43)</b>	<b>(45)</b>	<b>(45)</b>
<b>Net cash provided by (used for) financing activities</b>	<b>(90)</b>	<b>(209)</b>	<b>(28)</b>
Effects of changes in exchange rates on cash position	(8)	5	15
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(22)</b>	<b>(85)</b>	<b>39</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>617</b>	<b>702</b>	<b>743</b>
<b>Cash and cash equivalents at end of period</b>	<b>595</b>	<b>617</b>	<b>782</b>

# Quarterly Adjusted EBITDA (\$M)

	Q1 2013	Q4 2012	Q1 2012
<b>Net income (loss)</b>	<b>(1)</b>	<b>(98)</b>	<b>(11)</b>
Income (loss) on discontinued operations	-	-	1
<b>Income (loss) on continuing operations</b>	<b>(1)</b>	<b>(98)</b>	<b>(12)</b>
Reconciling items to EBITDA			
Financial (income) expense	152	153	73
(Benefit) provision for income taxes	11	(7)	(5)
Depreciation	61	63	63
Amortization	71	69	71
<b>EBITDA</b>	<b>294</b>	<b>180</b>	<b>190</b>
Results of equity-accounted investees	(47)	(15)	(1)
Restructuring <sup>1</sup>	4	98	7
Stock-based compensation	17	16	9
Other incidental items <sup>1</sup>	5	11	9
Other adjustments	46	-	-
<b>Adjusted EBITDA</b>	<b>319</b>	<b>290</b>	<b>214</b>
<b>Trailing 12-month Adjusted EBITDA</b>	<b>1195</b>	<b>1090</b>	<b>1030</b>
1. Excluding depreciation PP&E related to			
Restructuring	-	-	1
Other incidental items	1	1	-

# Positioned to Deliver Industry Leading Growth

