



# Quarterly Investor Presentation

Second Quarter 2025



# Safe Harbor Statement and Non-GAAP and Forecast Information

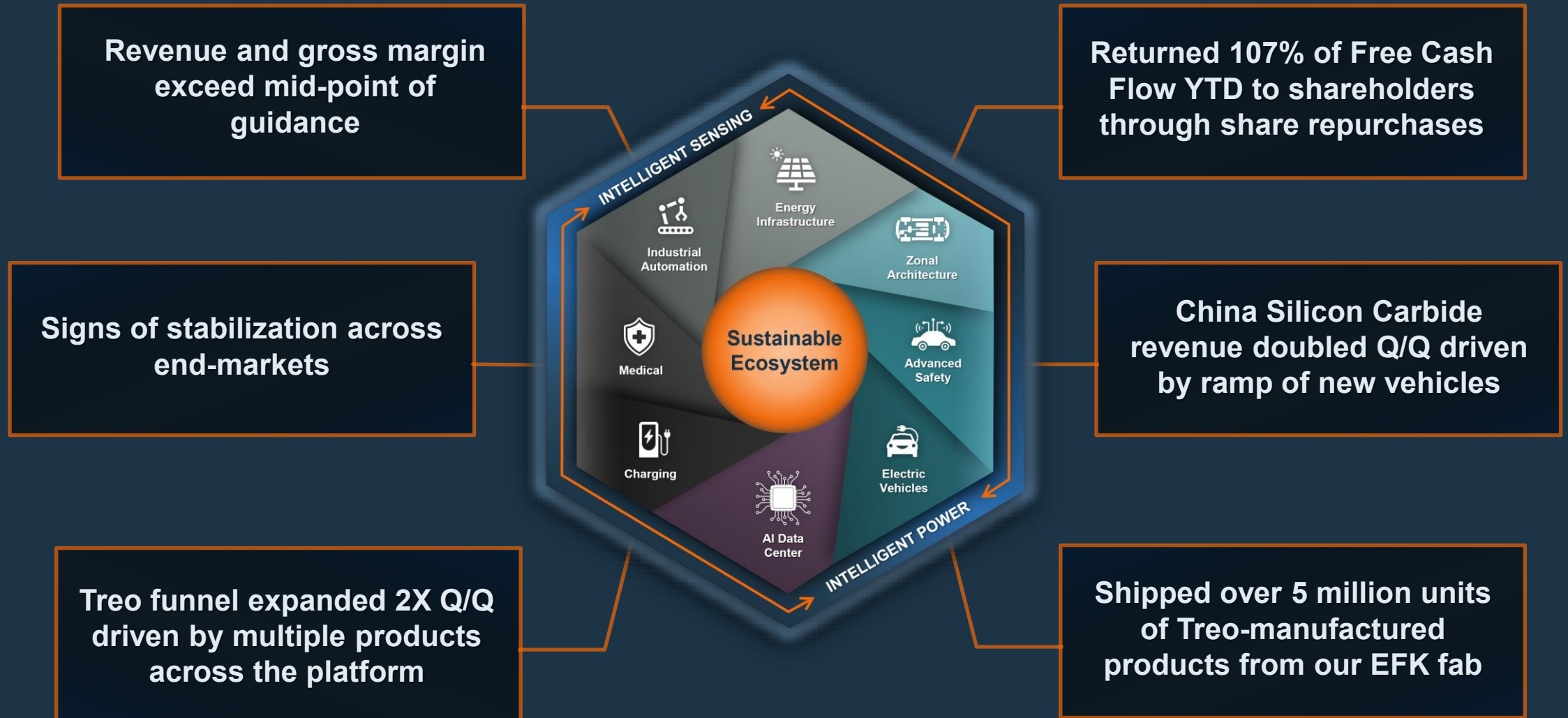
This presentation includes “forward-looking statements,” as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included or incorporated in this presentation could be deemed forward-looking statements, particularly statements about the future financial performance of onsemi, including financial guidance for the third quarter of 2025. Forward-looking statements are often characterized by the use of words such as “believes,” “estimates,” “expects,” “projects,” “may,” “will,” “intends,” “plans,” “anticipates,” “should” or similar expressions or by discussions of strategy, plans or intentions. All forward-looking statements in this document are made based on our current expectations, forecasts, estimates and assumptions and involve risks, uncertainties and other factors that could cause results or events to differ materially from those expressed in the forward-looking statements. Certain factors that could affect our future results or events are described under Part I, Item 1A “Risk Factors” in the 2024 Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on February 10, 2025 (the “2024 Form 10-K”) and from time to time in our other SEC reports. You are cautioned not to place undue reliance on forward-looking statements. We assume no obligation to update such information, which speaks only as of the date made, except as may be required by law. Investing in our securities involves a high degree of risk and uncertainty, and you should carefully consider the trends, risks and uncertainties described in this document, our 2024 Form 10-K and other reports filed with or furnished to the SEC before making any investment decision with respect to our securities. If any of these trends, risks or uncertainties actually occurs or continues, our business, financial condition or operating results could be materially adversely affected, the trading prices of our securities could decline, and you could lose all or part of your investment. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

Our earnings release and this presentation include certain non-GAAP financial measures. Reconciliations of these non-GAAP financial measures to the most directly comparable measures under GAAP are included in our earnings release, which is posted separately on our website in the "Investor Relations" section. See Appendix for GAAP to Non-GAAP Reconciliation.



# Second Quarter 2025 Financial & Business Update

# Q2'25 Highlights



# Non-GAAP Financial Performance



Revenue

\$1.47B

+2% Q/Q

Automotive

\$733m Revenue

⬇️ 4% Q/Q



Gross Margin

37.6%

-240 bps Q/Q



Operating Margin

17.3%

-90 bps Q/Q

Industrial

\$406m Revenue

⬆️ 2% Q/Q



Diluted EPS

\$0.53

-\$0.02 Q/Q

Other

\$329m Revenue

⬆️ 16% Q/Q



LTM Free Cash Flow

20.1%

-90 bps Q/Q

# Q3'25 Guidance Highlights



## Revenue

**GAAP:**  
\$1,465 to \$1,565m

**Non-GAAP:**  
\$1,465 to \$1,565m

## GM

**GAAP:**  
36.4% to 38.4%

**Non-GAAP:**  
36.5% to 38.5%

## OPEX

**GAAP:**  
\$294 to \$309m

**Non-GAAP:**  
\$280 to \$295m

## EPS

**GAAP:**  
\$0.51 to \$0.61

**Non-GAAP:**  
\$0.54 to \$0.64



# About onsemi

# onsemi at a glance



## Our Mission

We push innovation to create **intelligent power** and **sensing technologies** that solve the most challenging customer problems

Our employees are inspired to go above and beyond to increase stakeholder value through high quality and high value products and services

**\$7.1B**

2024 Revenue

**500**

S&P 500® index

**100**

Nasdaq 100®  
company

**37K+**

Portfolio  
SKUs

**~26K<sup>1</sup>**

Employees  
Worldwide

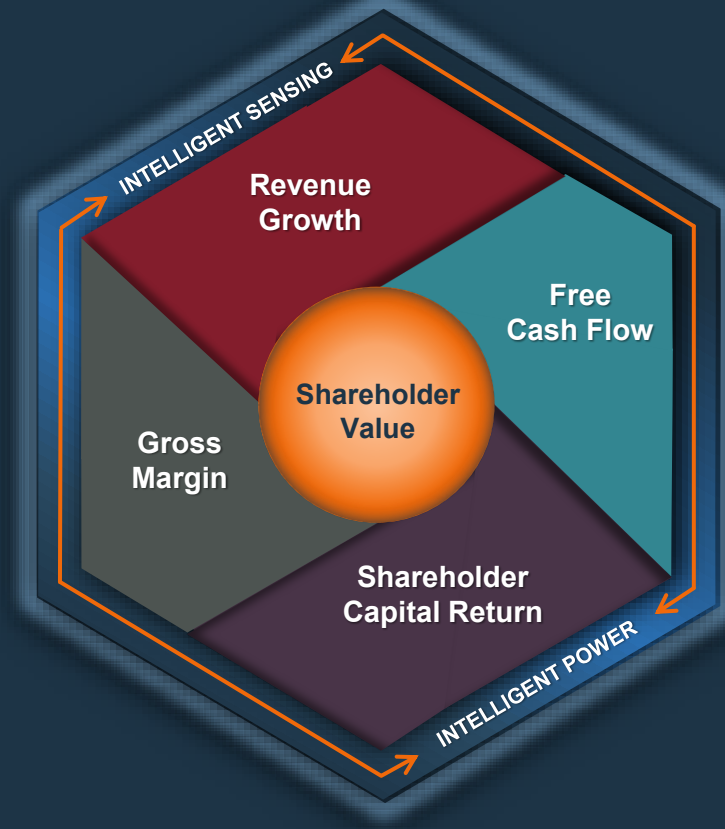
# Accelerating Shareholder Value

## Revenue Growth

- Sustainable Ecosystem to drive revenue 3X the industry growth<sup>1</sup>
- Aligned to fast-growing secular megatrends of Automotive and Industrial
- SiC growth to 35-40% market share<sup>2</sup>

## Gross Margin

- Significant gross margin expansion to 53%
- Fab Right: optimize manufacturing network for cost efficiencies. Maximize utilization with flex to external capacity
- Ramp new and differentiated products
- Accretive SiC margins at scale



## Free Cash Flow

- Significant growth in Free Cash Flow margin to 25-30%
- Capital efficiency through high ROIC investments and working capital management

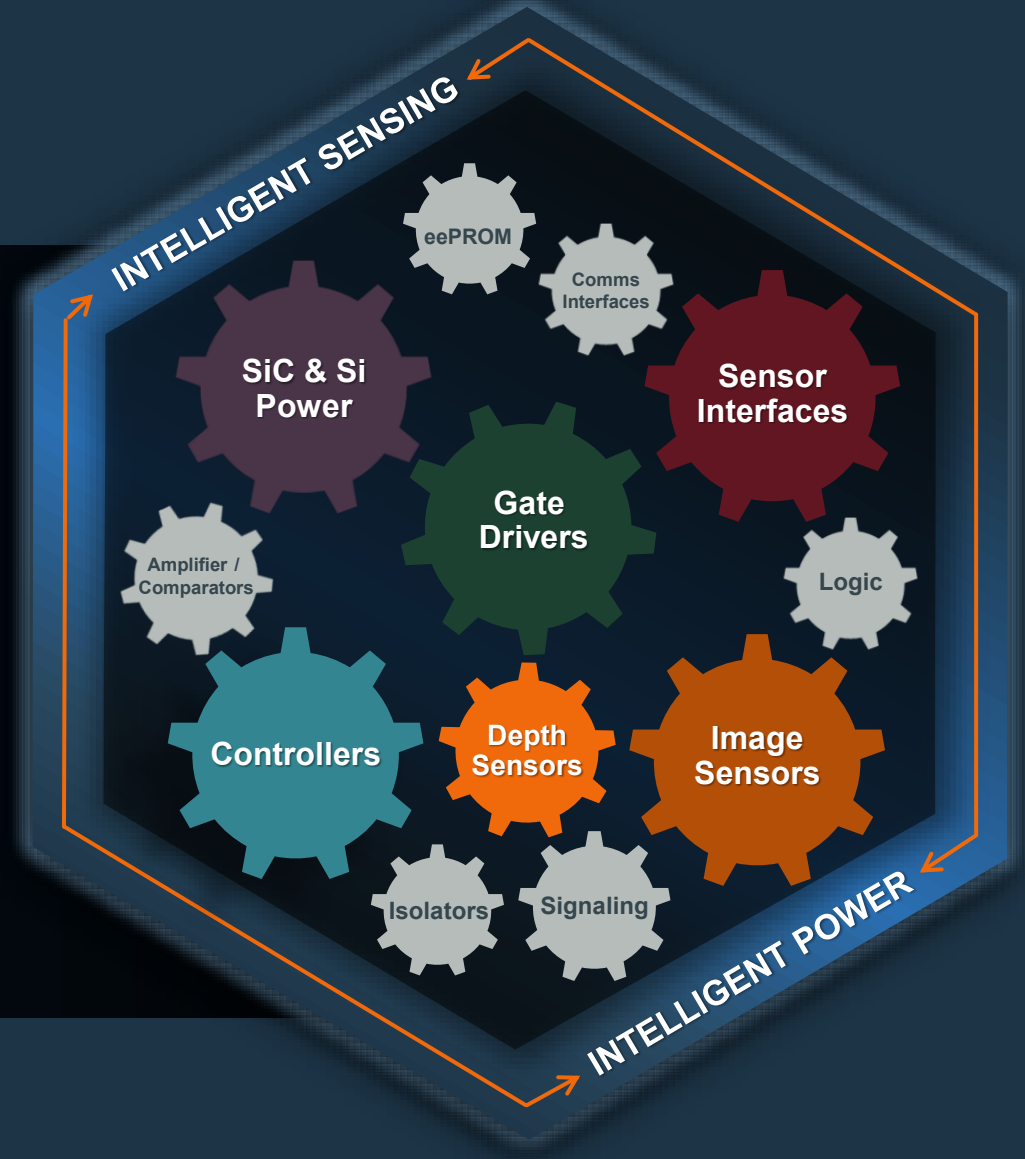
## Shareholder Capital Returns

- Shareholder-friendly capital allocation policy
- Return 100% of Free Cash Flow through share repurchases through the remainder of 2025
- \$3.0B share repurchase authorization

# Power of the onsemi Portfolio

*“Our broad portfolio of products has enabled us to become a one-stop shop for our customers and the source for the most optimized solutions.”*

*- Hassane El-Khoury*



# Power of the Portfolio Driving **onsemi** Growth



Energy Infrastructure

**\$7.8B**

16% CAGR



Charging

**\$1.1B**

26% CAGR



Factory Automation

**\$9.1B**

8% CAGR

**\$44B TAM**  
growing at  
**~18% CAGR**

Electric Vehicles

**\$15.5B**

25% CAGR



Advanced Safety

**\$5.6B**

15% CAGR



AI Data Center

**\$4.4B**

18.9% CAGR



# Enabling a Sustainable Ecosystem

Premium Business in Intelligent Power and Sensing

## INTELLIGENT POWER SOLUTIONS

enabling customers to exceed range targets with lower weight and reduce system cost through unparalleled efficiency

### Wide Bandgap

- SiC MOSFET, JFET Capability
- Vertically integrated manufacturing at scale
- Industry-leading innovative device, advanced packaging, system solutions

### Silicon Power – IGBT, FET

- Leading FET and IGBT supplier with growing market share
- Expanding BOM coverage with new products
- Attaching AI data center power in tray, rack and UPS

### Power Management ICs

- Double down on \$14B TAM with >70% gross margin
- Deliver system-level value with gate drivers and controllers
- Expand leadership to full Power Tree solutions

## INTELLIGENT SENSING SOLUTIONS

offering the proprietary features customers require to meet their most demanding use cases

- #1 position in Image Sensors for Automotive and Industrial
- Growing in Machine Vision
- 68% market share in ADAS
- 27% market share in Industrial
- 8MP ramping with ~2.5x ASP uplift
- Deliver high margins and the most profitable sensor business in the industry
- Also, #1 in Ultrasonic and Inductive Sensing for Automotive and Industrial



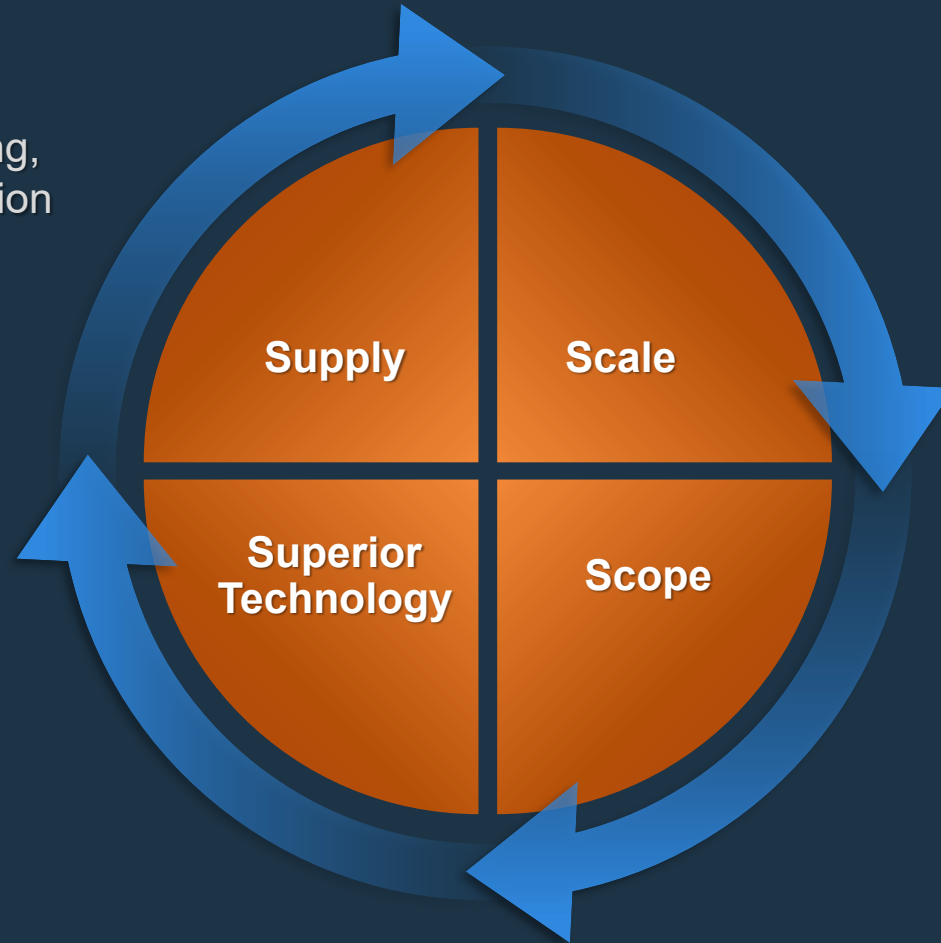
# The onsemi Advantage: Intelligent Power

## SUPPLY

- History of vertical integration
- Volume SiC boule growth, wafering, substrate, epitaxy, device fabrication
- Best-in-class integrated modules, discrete package solutions and known good die

## SUPERIOR TECHNOLOGY

- Lead with die performance
- Differentiate with package innovation
- **Die + Package = *THE* most optimal solution on the planet**



## SCALE

- A multi-decade history in Automotive and Industrial markets
- High-quality, high-volume manufacturing
- Able to ramp in line with customer expectations

## SCOPE

- Suite of sustainable solutions from energy generation to energy consumption
- Depth and breadth of power technologies
- Supporting portfolio for optimized solutions

**Most  
comprehensive  
SiC product  
portfolio**

**SiC portfolio  
includes FETs  
and JFETs  
across voltages**

**Expect to  
Outgrow the  
Market**

**Share gains to  
35-40% of market**

**End-to-End  
Supply Chain**

**From boules  
to modules**

**Extending  
Technology  
Lead with  
Trench FET**

**Secured wins with  
multiple OEMs for  
4th Generation  
Trench MOSFET**

**... onsemi's SiC Leadership**

# The onsemi Advantage: Intelligent Sensing

- High Dynamic Range
- Industry-leading 8 megapixel

**Superior Technology**

**Automotive & Industrial Focus**

- Installed base of >450M automotive sensors
- Enabling Factory Automation

**onsemi's Image Sensor**

- Devware
- Ref Designs
- Ecosystem

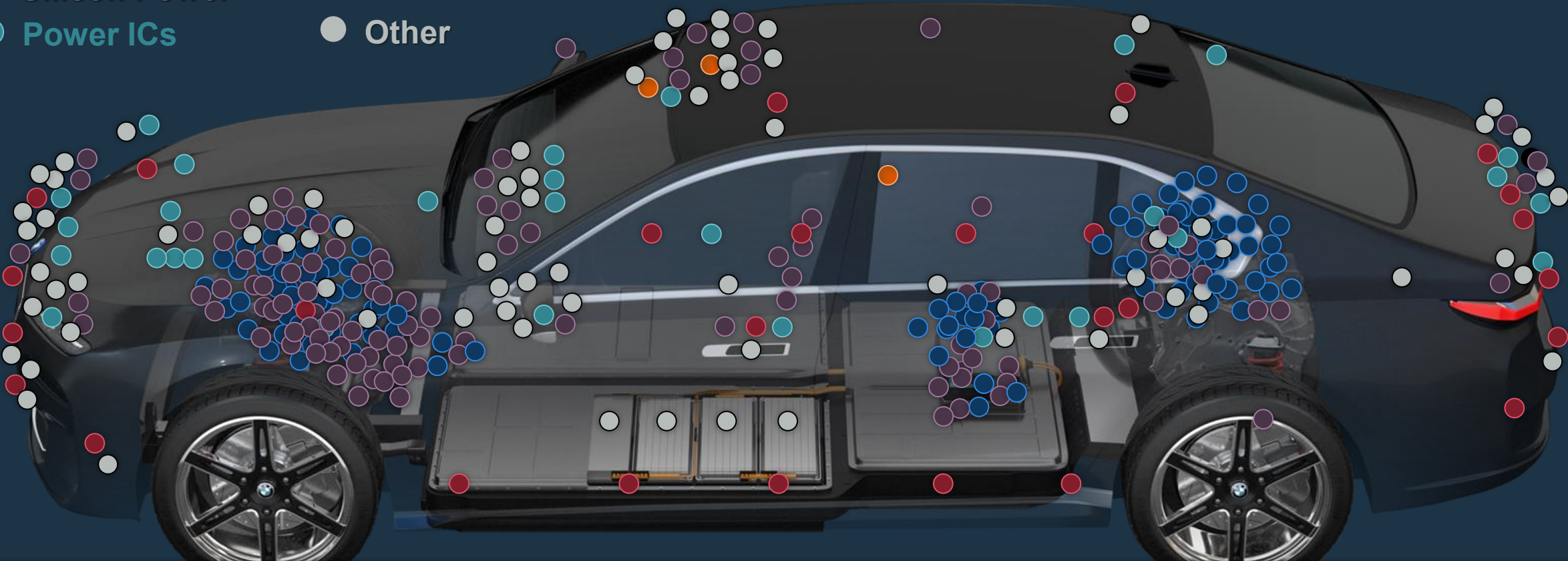
**Solution Enablement**

**Decades of Innovation**

- 45+ years of sustained innovation

# onsemi. Everywhere in Automotive Today.

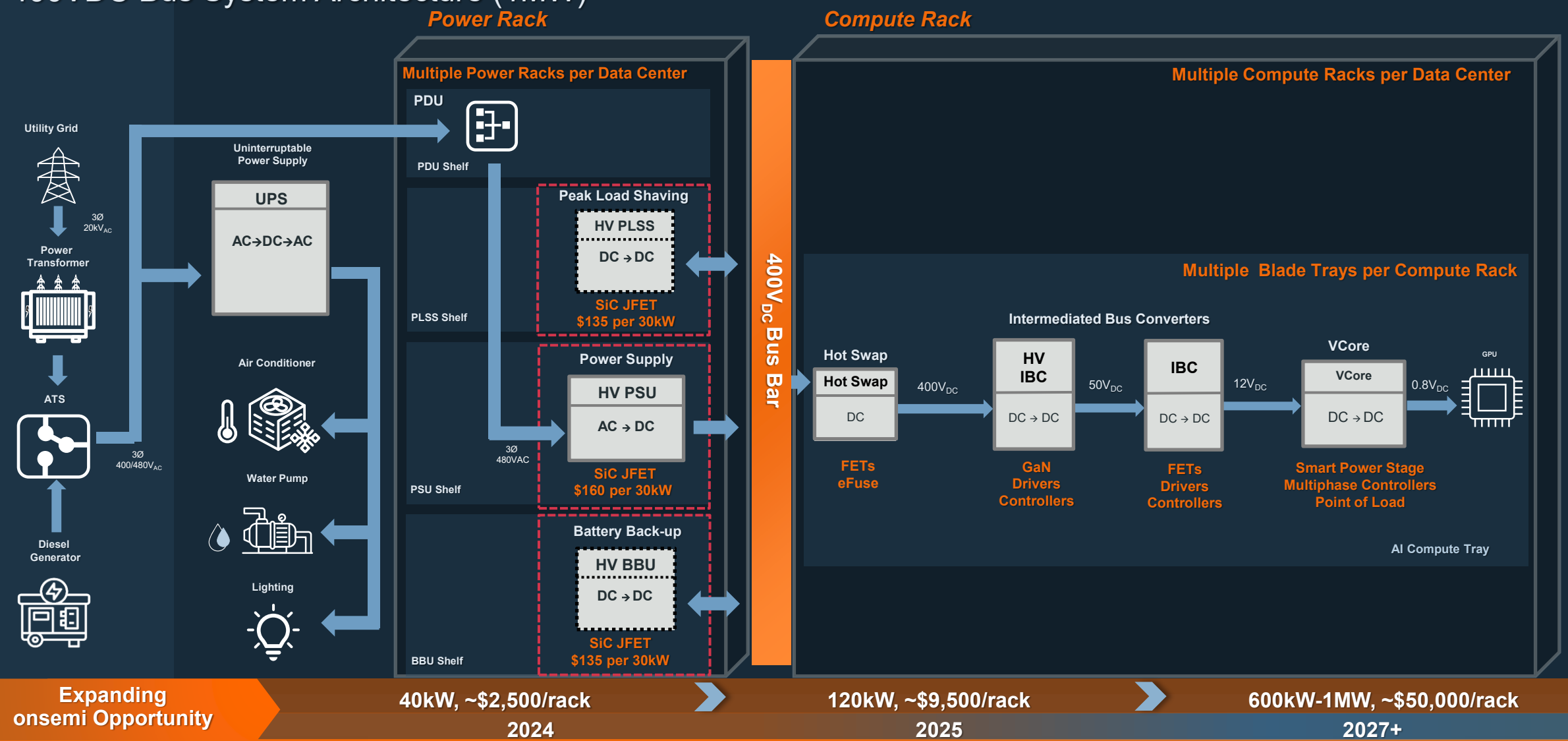
- Silicon Carbide
- Image Sensors
- Silicon Power
- Sensor Interfaces
- Power ICs
- Other



~500 onsemi products in production vehicles today

# Power Delivery from Grid to Processor in AI Data Center

400VDC Bus System Architecture (1MW)



# Treo Drives Gross Margin Expansion



Result of two years investment in high value, differentiated products

Shipped over 5 million units from our East Fishkill facility

Treo delivers disruptive, high value platform with up to 70% gross margin

Expanding margins with Treo platform replacing existing sunsetting products over multiple years

Leveraging previous brownfield investments in 300mm fab and back-end facilities leading to best-in-class ROIC

# onsemi. Driving Innovation in Industrial.

**onsemi** delivers solutions that create the infrastructure needed to generate, store and deploy sustainable industrial energy across a network

- Propelling the sustainable energy evolution in the industrial market with our **intelligent power technologies** for the **highest efficiency** solar strings, industrial power and storage systems
- Enabling Industry 4.0 with our **intelligent sensing technologies** for **smarter** factories and buildings



Medical



Energy Infrastructure



Industrial Automation

# Highly Diversified Customer Base



## Customer Needs:

- Best-in-Class Performance
- Reliable suppliers at scale
- Tighter supplier base
- Competitive system cost

## onsemi Delivers:

- Industry-leading products
- Vertically integrated supply chain
- Broad portfolio of products
- Solution optimization across BOM

**Top 20** customers represent **~40%** of revenue and each buy **~600** products on average

**~600** silicon carbide customers

# onsemi's Decarbonization Commitments

## Near-Term Science Based Targets Validated



### Near-Term Targets Validated by SBTi in December 2024

- *By 2029, 71.3% of suppliers will have science-based targets*
- *By 2034, Scope 1 & 2 emissions to reduce by 58.8% and Fuel and Energy Related (FERA) portion of Scope 3 to reduce by 35.0%*



### Net Zero 2040

*Consistent commitment to achieve net zero emissions by 2040*



### Progress towards Greenhouse Gas Targets

- *In 2024, 15% reduction of Scope 1 & 2 emissions vs. 2022 baseline*
- *As of 2024, ~35% of suppliers indicate they will commit to science-based target*



### Water

*48% water recycled in 2024*

*6% Y/Y increase in water recycling rate in 2024*



# Accelerating the Financial Model

	2024 Actual	2027 Target	
<b>Revenue</b>	<b>\$7.08B</b>	<b>10-12% CAGR</b>	<ul style="list-style-type: none"> <li>• Grow at ~3x the semiconductor industry</li> </ul>
<b>Gross Margin</b>	<b>45.4%</b>	<b>53%</b>	<ul style="list-style-type: none"> <li>• Mix shift, new products &amp; SiC ramp at accretive margins</li> <li>• Optimize cost through Fab Right</li> </ul>
<b>Operating Expenses</b>	<b>17.6%</b>	<b>13%</b>	<ul style="list-style-type: none"> <li>• Invest in R&amp;D for long-term growth</li> <li>• Digital First - embrace new technologies &amp; data analytics</li> </ul>
<b>Operating Margin</b>	<b>27.9%</b>	<b>40%</b>	<ul style="list-style-type: none"> <li>• Grow Operating Income faster than Revenue</li> </ul>
<b>CapEx</b>	<b>9.8%</b>	<b>Mid-single digit range</b>	<ul style="list-style-type: none"> <li>• Market success drives investments</li> <li>• High ROIC brownfield investments</li> </ul>
<b>Free Cash Flow</b>	<b>17.1%</b>	<b>25-30%</b>	<ul style="list-style-type: none"> <li>• Return 100% of Free Cash Flow through share repurchases through remainder of 2025</li> </ul>

Notes:

2027 Target based on onsemi internal estimates.

Our earnings release and this presentation include certain non-GAAP financial measures. Reconciliations of these non-GAAP financial measures to the most directly comparable measures under GAAP are included in our earnings release, which is posted separately on our website in the "Investor Relations" section. See Appendix for GAAP to Non-GAAP Reconciliation.



# Appendix

# Non-GAAP Financial Performance

	2024 Actual	Q1'25 Actual	Q2'25 Actual	Q3'25 Guide	2027 Target	
Revenue (\$ millions)	7,082.3	1,445.7	1,468.7	1,465 to 1,565	10-12% CAGR	<ul style="list-style-type: none"> <li>Q2'25 revenue above the midpoint of guidance</li> </ul>
Gross Margin	45.5%	40.0%	37.6%	36.5% to 38.5%	53%	<ul style="list-style-type: none"> <li>Q2'25 gross margin slightly above the midpoint of guidance</li> </ul>
Operating Expenses (\$ millions)	1,248.5	314.5	297.7	280 to 295	13%	<ul style="list-style-type: none"> <li>Active cost control</li> <li>Investing through the downturn in strategic areas</li> </ul>
Operating Margin	27.9%	18.3%	17.3%	---	40%	<ul style="list-style-type: none"> <li>Structural changes to deliver operational efficiencies</li> </ul>
CapEx (\$ millions)	694.0	147.6	78.2	35 to 50	Mid-single digit range	<ul style="list-style-type: none"> <li>Remain on track to reduce capital intensity in 2025 to mid-single digit percentage range</li> </ul>
LTM Free Cash Flow	17.1%	21.0%	20.1%	---	25-30%	<ul style="list-style-type: none"> <li>Continue commitment to capital returns</li> <li>Share repurchase target of 100% of FCF for the remainder of 2025</li> </ul>
Earnings per Share	\$3.98	\$0.55	\$0.53	\$0.54 to \$0.64	---	<ul style="list-style-type: none"> <li>Q2'25 EPS at midpoint of guidance</li> </ul>

# Q3'25 Guidance

	GAAP	Special Items**	Non-GAAP***
<b>Revenue</b>	\$1,465 to \$1,565 million	-	\$1,465 to \$1,565 million
<b>Gross Margin</b>	36.4% to 38.4%	0.1%	36.5% to 38.5%
<b>Operating Expenses</b>	\$294 to \$309 million	\$14 million	\$280 to \$295 million
<b>Other Income and Expense (including interest), net</b>	(\$8 million)	-	(\$8 million)
<b>Diluted Earnings Per Share</b>	\$0.51 to \$0.61	\$0.03	\$0.54 to \$0.64
<b>Diluted Shares Outstanding *</b>	410 million	-	410 million

# Notes to Q3'25 Guidance

\* Diluted shares outstanding can vary as a result of, among other things, the vesting of restricted stock units, the incremental dilutive shares from the convertible notes, and the repurchase or the issuance of stock or convertible notes or the sale of treasury shares. In periods when the quarterly average stock price per share exceeds \$52.97 for the 0% Notes, and \$103.87 for the 0.50% Notes, the non-GAAP diluted share count and non-GAAP net income per share include the anti-dilutive impact of the hedge transactions entered concurrently with the 0% Notes, and the 0.50% Notes, respectively. At an average stock price per share between \$52.97 and \$74.34 for the 0% Notes, and \$103.87 and \$156.78 for the 0.50% Notes, the hedging activity offsets the potentially dilutive effect of the 0% Notes, and the 0.50% Notes, respectively. In periods when the quarterly average stock price exceeds \$74.34 for the 0% Notes, and \$156.78 for the 0.50% Notes, the dilutive impact of the warrants issued concurrently with such notes is included in the diluted shares outstanding. GAAP and non-GAAP diluted share counts are based on either the previous quarter's average stock price or the stock price as of the last day of the previous quarter, whichever is higher.

\*\* Special items may include: amortization of acquisition-related intangibles; expensing of appraised inventory fair market value step-up; restructuring-related cost of revenue charges; non-recurring facility costs; in-process research and development expenses; restructuring, asset impairments and other, net; goodwill impairment charges; gains and losses on debt prepayment; actuarial (gains) losses on pension plans and other pension benefits; and certain other special items, as necessary. These special items are out of our control and could change significantly from period to period. As a result, we are not able to reasonably estimate and separately present the individual impact or probable significance of these special items, and we are similarly unable to provide a reconciliation of the non-GAAP measures. The reconciliation that is unavailable would include a forward-looking income statement, balance sheet and statement of cash flows in accordance with GAAP. For this reason, we use a projected range of the aggregate amount of special items in order to calculate our projected non-GAAP operating expense outlook.

\*\*\* We believe these non-GAAP measures provide important supplemental information to investors. We use these measures, together with GAAP measures, for internal managerial purposes and as a means to evaluate period-to-period comparisons. However, we do not, and you should not, rely on non-GAAP financial measures alone as measures of our performance. We believe that non-GAAP financial measures reflect an additional way of viewing aspects of our operations that, when taken together with GAAP results and the reconciliations to corresponding GAAP financial measures that we also provide in our releases, provide a more complete understanding of factors and trends affecting our business. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures, even if they have similar names.

GAAP to Non-GAAP Reconciliation (\$ in Millions)	FY2023	FY2024	Q1'25	Q2'25
<b>Reconciliation of GAAP to Non-GAAP Gross Margin:</b>				
<b>GAAP Gross Margin</b>	47.1%	45.4%	20.3%	37.6%
a) Amortization of acquisition-related intangible assets	0.1%	0.1%	0.1%	0.1%
b) Restructuring-related inventory and other charges	-	-	19.6%	-0.1%
<b>Non-GAAP Gross Margin</b>	47.1%	45.5%	40.0%	37.6%
<b>Reconciliation of GAAP to Non-GAAP Operating Expenses:</b>				
<b>GAAP Operating Expenses</b>	\$ 1,344.8	\$ 1,448.4	\$ 867.5	\$ 358.5
a) Amortization of acquisition-related intangible assets	(51.1)	(52.0)	(11.4)	(11.0)
b) Restructuring, asset impairments and other, net	(74.9)	(133.9)	(539.3)	(49.2)
c) Third party acquisition and divestiture-related costs	1.3	(14.0)	(2.3)	(0.6)
<b>Non-GAAP Operating Expenses</b>	\$ 1,220.1	\$ 1,248.5	\$ 314.5	\$ 297.7
<b>Reconciliation of GAAP to Non-GAAP Operating Income:</b>				
<b>GAAP Operating Income</b>	\$ 2,538.7	\$ 1,767.7	\$ (573.7)	\$ 193.4
a) Amortization of acquisition-related intangible assets	56.8	58.3	12.7	12.3
b) Restructuring, asset impairments and other, net	74.9	133.9	539.3	49.2
c) Third party acquisition and divestiture-related costs	(1.3)	14.0	2.3	0.6
d) Impact of business wind down	(3.9)	-	-	-
e) Restructuring-related inventory and other charges	-	-	283.4	(1.9)
f) Amortization of fair market value step-up of inventory	-	-	-	1.2
<b>Non-GAAP Operating Income</b>	\$ 2,665.2	\$ 1,973.9	\$ 264.0	\$ 254.8
<b>Reconciliation of GAAP to Non-GAAP Operating Margin:</b>				
<b>GAAP Operating Margin</b>	30.8%	25.0%	-39.7%	13.2%
a) Amortization of acquisition-related intangible assets	0.7%	0.8%	0.9%	0.8%
b) Restructuring, asset impairments and other, net	0.9%	1.9%	37.3%	3.3%
c) Third party acquisition and divestiture-related costs	-	0.2%	0.2%	-
d) Restructuring-related inventory and other charges	-	-	19.6%	-0.1%
e) Amortization of fair market value step-up of inventory	-	-	-	0.1%
<b>Non-GAAP Operating Margin</b>	32.3%	27.9%	18.3%	17.3%
<b>Free Cash Flow:</b>				
<b>LTM Free Cash Flow</b>	\$ 438.4	\$ 1,212.4	\$ 1,407.0	\$ 1,287.3
LTM Revenue	8,253.0	7,082.3	6,665.3	6,398.8
<b>LTM Cash Flow Margin</b>	5.3%	17.1%	21.0%	20.1%

<b>GAAP to Non-GAAP Reconciliation (\$ in Millions, except share count and EPS)</b>	<b>FY2023</b>	<b>FY2024</b>	<b>Q1'25</b>	<b>Q2'25</b>
<b>Reconciliation of GAAP to Non-GAAP Net Income Attributable to ON Semiconductor Corporation:</b>				
<b>GAAP Net Income Attributable to ON Semiconductor Corporation</b>	\$ 2,183.7	\$ 1,572.8	\$ (486.1)	\$ 170.3
a) Amortization of acquisition-related intangible assets	56.8	58.3	12.7	12.3
b) Restructuring, asset impairments and other, net	74.9	133.9	539.3	49.2
c) Third party acquisition and divestiture-related costs	(1.3)	14.0	2.3	0.6
d) Loss on debt refinancing and prepayment	13.3	-	-	-
e) Actuarial gains (losses) on pension plans and other pension benefits	4.0	(12.2)	-	-
f) (Gain) loss on divestiture of a business	0.7	-	-	-
g) Adjustment of income taxes	(72.0)	(62.2)	(120.0)	(10.4)
h) Impact of business wind down	(3.9)	-	-	-
i) Restructuring-related inventory and other charges	-	-	283.4	(1.9)
j) Amortization of fair market value step-up of inventory	-	-	-	1.2
<b>Non-GAAP Net Income Attributable to ON Semiconductor Corporation</b>	\$ 2,256.2	\$ 1,704.6	\$ 231.6	\$ 221.3
<b>Reconciliation of GAAP to Non-GAAP Diluted Shares Outstanding:</b>				
<b>GAAP Diluted Shares Outstanding</b>	446.8	432.7	421.3	414.9
Less: dilutive shares attributable to convertible notes	(9.1)	(4.0)	-	-
Add: dilutive shares attributable to convertible notes	-	-	0.4	-
<b>Non-GAAP Diluted Shares Outstanding</b>	437.7	428.7	421.7	414.9
<b>Non-GAAP Diluted Earnings Per Share:</b>				
Non-GAAP net income for diluted earnings per share	\$ 2,257.5	\$ 1,704.6	\$ 231.6	\$ 221.3
Non-GAAP diluted shares outstanding	437.7	428.7	421.7	414.9
<b>Non-GAAP Diluted Earnings Per Share</b>	\$ 5.16	\$ 3.98	\$ 0.55	\$ 0.53

# Notes & Sources

## Power of the Portfolio Driving onsemi Growth (Slide 12)

- onsemi estimates based on current market projections
- LMC Automotive: Global Hybrid & Electric Vehicle Forecast -Quarter 4, 2022
- Omdia: Power IC Market Tracker, Sep'22
- \$43B TAM for sustainable ecosystem for onsemi estimates based on current market projections and expected to grow at 16%. (2022-2027)
- Semiconductor TAM, excludes memory and expected to grow at ~4%

## Enabling a Sustainable Ecosystem: Premium Business in Intelligent Power and Sensing (Slide 13)

- onsemi estimates
- Omdia: 1Q23 -Semiconductor Device Data By Application Markets
- Omdia: Industrial Semiconductor Market Tracker –3Q22 Database, Jan'23
- Yole: Imaging for Automotive 2022
- Omdia: Power Semiconductors in Automotive Report –2022 Database, 5/26/22
- LMC Automotive: Global Hybrid & Electric Vehicle Forecast-Quarter 4, 2022
- Omdia: Power IC Market Tracker, Sep'22
- Yole: Silicon Carbide Forecast 2023
- Bank of America Research
- Yole: 2022-27 SiC market forecast of 33% CAGR
- TSR: Automotive Camera Market Analysis 2021-2022
- Yole: Status of CMOS Image Sensor Industry 2021 Report

## onsemi's Path to Net Zero by 2040 (Slide 22)

- 2024 GHG emissions have received third party Limited Assurance
- 2029 Near Term Science Based Target refers to 71.3% of suppliers by emissions to have their own science-based target. 2024 progress (35%) reflects supplier-reported future commitments.



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