年报其语

ONSEMI ON

Mkt Cap	Stock Price	Book Value	P/E Ratio	P/FCF Ratio	Div Yield
26.4B	67.69	19.42	39.6x	18.6x	0.0%

HOW IT EARNS CASH | BUSINESS CHAIN

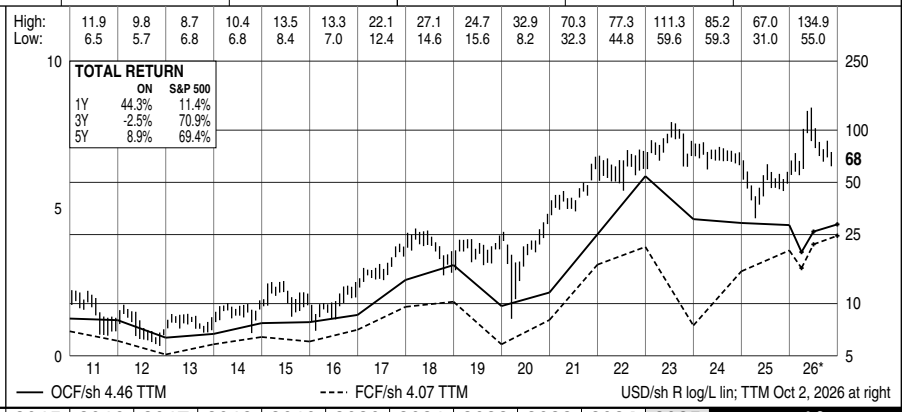
1 Design power and sense | Treo product count 2x in FY25.
2 Qualify & contract | $7.1B FY25 long-term obligations.
3 Fab, package & test | Factory utilization 83% in Q3'26.
4 Ship & collect | Channel inventory 9.9 weeks in Q3'26.
5 Reinvest & return | FY25 cash PP&E $341M; FCF $1.42B.

BUSINESS MIX | FY25

Revenue	$M	Mix	YoY	2Y CAGR
Power (PSG)	2805.1	46.8%	-16.2%	-15.0%
Analog/mixed (AMG)	2261.9	37.7%	-13.3%	-14.0%
Sensing (ISG)	928.4	15.5%	-17.5%	-16.0%
Total revenue	**5995.4**	**100.0%**	**-15.3%**	**-14.8%**

End markets: auto 51%; industrial 28% (FY25).
FY25 segment GM: PSG 24.5%; AMG 51.1%; ISG 15.1%.

Watch design-to-volume conversion and fab utilization.



VALUE CREATION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Nianbao Qiyu 6 Groups	Unit
DESIGN IN FY25 Treo product count reached 2x FY24 levels. Power and sensing target efficiency and safety.	2313.4	3442.3	2894.9	2782.7	3161.8	3495.8	3906.9	5543.1	5878.3	5517.9	5255.0	6739.8	8326.2	8253.0	7082.3	5995.4	**Revenue**	$M
	30.8%	48.8%	-15.9%	-3.9%	13.6%	10.6%	11.8%	41.9%	6.0%	-6.1%	-4.8%	28.3%	23.5%	-.9%	-14.2%	-15.3%	**Rev. YoY**	%
	41.3%	29.3%	32.7%	33.4%	34.3%	34.1%	33.3%	36.7%	38.1%	35.8%	32.7%	40.3%	49.0%	47.1%	45.4%	33.1%	**Gross Margin**	%
	374.20	113.40	-20.30	208.90	228.90	261.10	246.80	681.60	847.20	432.70	348.70	1287.6	2360.0	2538.7	1767.7	84.20	**Op. Income**	$M
	16.2%	3.3%	-.7%	7.5%	7.2%	7.5%	6.3%	12.3%	14.4%	7.8%	6.6%	19.1%	28.3%	30.8%	25.0%	1.4%	**Op. Margin**	%
	290.50	11.60	-97.20	150.40	189.70	206.20	182.10	810.70	627.40	211.70	234.20	1009.6	1902.2	2183.7	1572.8	121.00	**Net Income**	$M
	12.6%	.3%	-3.4%	5.4%	6.0%	5.9%	4.7%	14.6%	10.7%	3.8%	4.5%	15.0%	22.8%	26.5%	22.2%	2.0%	**Net Margin**	%
↓ **QUALIFY & CONTRACT** LTSA obligations: $7.1B FY25-end to $5.5B Oct'26. Track shipments.	551.80	545.50	276.00	327.30	481.30	470.60	581.10	1094.2	1274.2	694.70	884.30	1782.0	2633.1	1977.5	1906.4	1759.8	**OCF**	$M
	23.9%	15.8%	9.5%	11.8%	15.2%	13.5%	14.9%	19.7%	21.7%	12.6%	16.8%	26.4%	31.6%	24.0%	26.9%	29.4%	**OCF Margin**	%
	1.9x	47.0x	-2.8x	2.2x	2.5x	2.3x	3.2x	1.3x	2.0x	3.3x	3.8x	1.8x	1.4x	.9x	1.2x	14.5x	**OCF / Net Inc.**	x
	188.90	316.40	256.30	155.20	204.30	270.80	210.70	387.50	514.80	534.60	383.60	444.60	1036.0	1539.1	694.00	341.20	**Capex**	$M
	34.2%	58.0%	92.9%	47.4%	42.4%	57.5%	36.3%	35.4%	40.4%	77.0%	43.4%	24.9%	39.3%	77.8%	36.4%	19.4%	**Capex / OCF**	%
↓ **FAB & TEST** Utilization 68% in Q4'25; 83% in Q3'26. FY25 listed manufacturing facilities: 18.	362.90	229.10	19.70	172.10	277.00	199.80	370.40	706.70	759.40	160.10	500.70	1337.4	1597.1	438.40	1212.4	1418.6	**FCF**	$M
	15.7%	6.7%	.7%	6.2%	8.8%	5.7%	9.5%	12.7%	12.9%	2.9%	9.5%	19.8%	19.2%	5.3%	17.1%	23.7%	**FCF Margin**	%
	91.00	17.90	--	--	423.70	31.30	2284.0	.80	95.50	988.00	104.50	399.40	2.40	236.30	20.50	124.50	**Acq. & Other Assets***	$M
	16.5%	3.3%	--	--	88.0%	6.7%	393.0%	.1%	7.5%	142.2%	11.8%	22.4%	.1%	11.9%	1.1%	7.1%	**Acq. & Other / OCF***	%
	52.50	33.50	20.50	32.30	45.80	46.90	56.10	69.80	78.30	79.40	67.70	101.30	100.80	121.10	136.10	144.30	**SBC Expense**	$M
	9.5%	6.1%	7.4%	9.9%	9.5%	10.0%	9.7%	6.4%	6.1%	11.4%	7.7%	5.7%	3.8%	6.1%	7.1%	8.2%	**SBC / OCF**	%
↓ **SHIP & COLLECT** **DISTRIBUTION** FY25 distributors: 54% of sales. Channel stock: 10.8 weeks Q4'25; 9.9 Q3'26.	--	--	55.50	101.00	121.80	348.20	--	25.00	315.30	139.00	65.40	--	259.80	564.20	654.10	1377.6	**Repurchases**	$M
	--	--	20.1%	30.9%	25.3%	74.0%	--	2.3%	24.7%	20.0%	7.4%	--	9.9%	28.5%	34.3%	78.3%	**Repurchases / OCF**	%
	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	**Dividends**	$M
	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	**Dividends / OCF**	%
AI DATA CENTER Q3'26 sales $180.2M vs $65.6M a year earlier.	24.1%	2.6%	-1.4%	10.6%	11.2%	10.6%	7.4%	22.0%*	14.6%	6.1%	7.8%	18.3%	29.6%	28.9%	17.0%	.9%	**Base ROIC***	%
	24.7%	.8%	-6.9%	10.5%	12.2%	12.7%	10.6%	35.2%	21.1%	6.5%	6.8%	24.9%	35.3%	31.3%	19.0%	1.5%	**ROE**	%
	11.0%	.4%	-2.6%	4.6%	5.4%	5.4%	3.4%	11.5%	8.5%	2.7%	2.8%	11.1%	17.6%	17.4%	11.5%	.9%	**ROA**	%
	436.77	451.28	448.82	440.25	434.10	412.04	418.94	425.12	413.83	411.31	411.84	432.47	431.94	426.39	422.96	396.74	**Shares Out.**	M sh
	5.30	7.63	6.45	6.32	7.28	8.48	9.33	13.04	14.20	13.42	12.76	15.58	19.28	19.36	16.74	15.11	**Revenue / Sh.**	$/sh
↓ **RECYCLE CASH** FY25 $1.42B FCF; $1.38B cash buybacks.	.65	.03	-.21	.33	.43	.48	.43	1.89	1.44	.51	.56	2.27	4.25	4.89	3.63	.29	**Diluted EPS**	$/sh
	1.26	1.21	.61	.74	1.11	1.14	1.39	2.57	3.08	1.69	2.15	4.12	6.10	4.64	4.51	4.44	**OCF / Sh.**	$/sh
	.43	.70	.57	.35	.47	.66	.50	.91	1.24	1.30	.93	1.03	2.40	3.61	1.64	.86	**Capex / Sh.**	$/sh
	.83	.51	.04	.39	.64	.48	.88	1.66	1.84	.39	1.22	3.09	3.70	1.03	2.87	3.58	**FCF / Sh.**	$/sh
	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	**Dividend / Sh.**	$/sh
RETURN TEST Can new designs reach volume and lift fab utilization?	11.8x	306.7x	NM	23.5x	21.0x	23.1x	23.5x	8.7x	15.1x	40.0x	38.0x	19.5x	14.6x	17.1x	19.9x	170.6x	**Avg. P/E**	x
	8.4%	6.6%	.6%	4.7%	6.3%	4.9%	6.9%	7.9%	11.1%	1.6%	3.7%	4.6%	5.9%	1.2%	4.5%	6.6%	**FCF Yield**	%
	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	**Dividend Yield**	%

CORE KPI TRACKER

Metric	FY21	FY22	FY23	FY24	FY25
Factory util. (Q4)	81%	74%	66%	59%	**68%**
Channel wks (Q4)	7.3	7.3	7.2	9.6	**10.8**
Mfg. facilities*	24	20	20	18	**18**
Prod. suppliers	7000	7100	7000	6300	**6300**
Full-time staff	30000	31000	30000	26400	**22600**

COMPOUND ANNUAL GROWTH RATE

	1Y	3Y	5Y	10Y	15Y
Revenue	-15.3%	-10.4%	2.7%	5.5%	6.6%
Op. Income	-95.2%	-67.1%	-24.7%	-10.7%	-9.5%
Net Income	-92.3%	-60.1%	-12.4%	-5.2%	-5.7%
OCF	-7.7%	-12.6%	14.8%	14.1%	8.0%
FCF	17.0%	-3.9%	23.2%	21.7%	9.5%
Diluted EPS	-92.0%	-59.1%	-12.3%	-4.9%	-5.2%
FCF / Sh.	24.7%	-1.1%	24.1%	22.1%	10.2%

FINANCIAL POSITION | $M

	FY21	FY22	FY23	FY24	FY25
Tot. assets	9626.0	11979	13215	14090	12524
Tot. liabilities	5021.6	5771.5	5414.6	5275.3	4832.2
Net assets	4604.4	6207.0	7800.6	8814.5	7691.9
Mkt cap*	29374	26940	35616	26667	26855
Cash + ST	1352.6	2919.0	2483.0	2991.3	2547.6
Liab./assets	52.2%	48.2%	41.0%	37.4%	38.6%

CAPITAL RETURNS: FY11-FY25 OCF $16.69B less cash PP&E $7.29B yielded **$9.40B FCF.** Cash buybacks: **$4.03B (42.8%);** common dividends: **$0 (0%).** Combined: **42.8% of FCF.** $5.37B before other investing and financing flows.

NET SHARES: FY10-end 436.77M to FY25-end 396.74M, **down 40.03M (9.2%).** FY25: 27.93M bought and 0.60M withheld, offset by 2.31M issued. **Down 26.21M (6.2%).** FY25 buybacks used 97.1% of FCF; $375M revolver repaid.

Autos still set the base. FY25 auto and industrial made up 79% of sales. Auto fell to $3.08B from $4.32B in FY23. Q3'26 AI data center hit $180.2M, up 175% YoY. Track whether new power designs reach volume.

Track contract conversion. Long-term supply obligations fell from $11.9B at FY24-end to $5.5B in Oct'26. Shipments, changed schedules and volumes can all move the balance. Track commitments alongside actual shipments.

Capacity cuts leave a test. FY25 brought $496M of equipment impairment and $268M of inventory charges. Q3'26 PSG gross margin rose to 38.2% from 28.5% a year earlier as utilization and mix improved.

Cash improved as spending fell. FY25 cash PP&E fell $353M while OCF fell $147M. FCF rose $206M. Inventory reached $2.07B in Oct'26 vs $1.99B at FY25-end. Track capex and inventory turnover.

Acquisitions change the test. Proposed Synaptics: $5.7B cash. Nov 12: $1.75B revolver, undrawn at signing. The Ferric deal targets chip-level power. Track cash returns after integration.

Measure what reaches each share. FY25 FCF/share grew 24.7%, with 6.2% fewer shares. Repurchases averaged about $49 per share before costs. Future per-share gains depend on cash yields after maintenance and deal spending.

FY10 cash anchors Jan'11. Oct 2, 2026 TTM OCF $1,769.7M and FCF $1,616.6M. Cash/sh uses FY25 shares.
ON adjusted close. S&P 500 Total Return includes reinvested dividends. $67.69 Nov 16 close. Nov partial. Header cap: Oct 28 shares. Book: Oct 2.
Position cap: FYE shares; FY25 uses Nov 16 close. P/E uses TTM EPS; P/FCF uses FY25 FCF. M34 uses FYE cap.
FY11-FY14 ROA uses filed assets. FY10 buybacks exclude employee tax withholding. *Facilities listed in 10-K.
Base ROIC deducts cash and short-term investments. FY17 tax benefit. Acq. excludes securities; FY16 Fairchild escrow counted once.
Sources: ON A/B pack, SEC filings, onsemi calls and sustainability reports; market data as stated. Calculations & presentation: Nianbao Qiyu.

© 2026 Nianbao Qiyu. All rights reserved.

Nianbao Qiyu