

The 1–Minute Brief

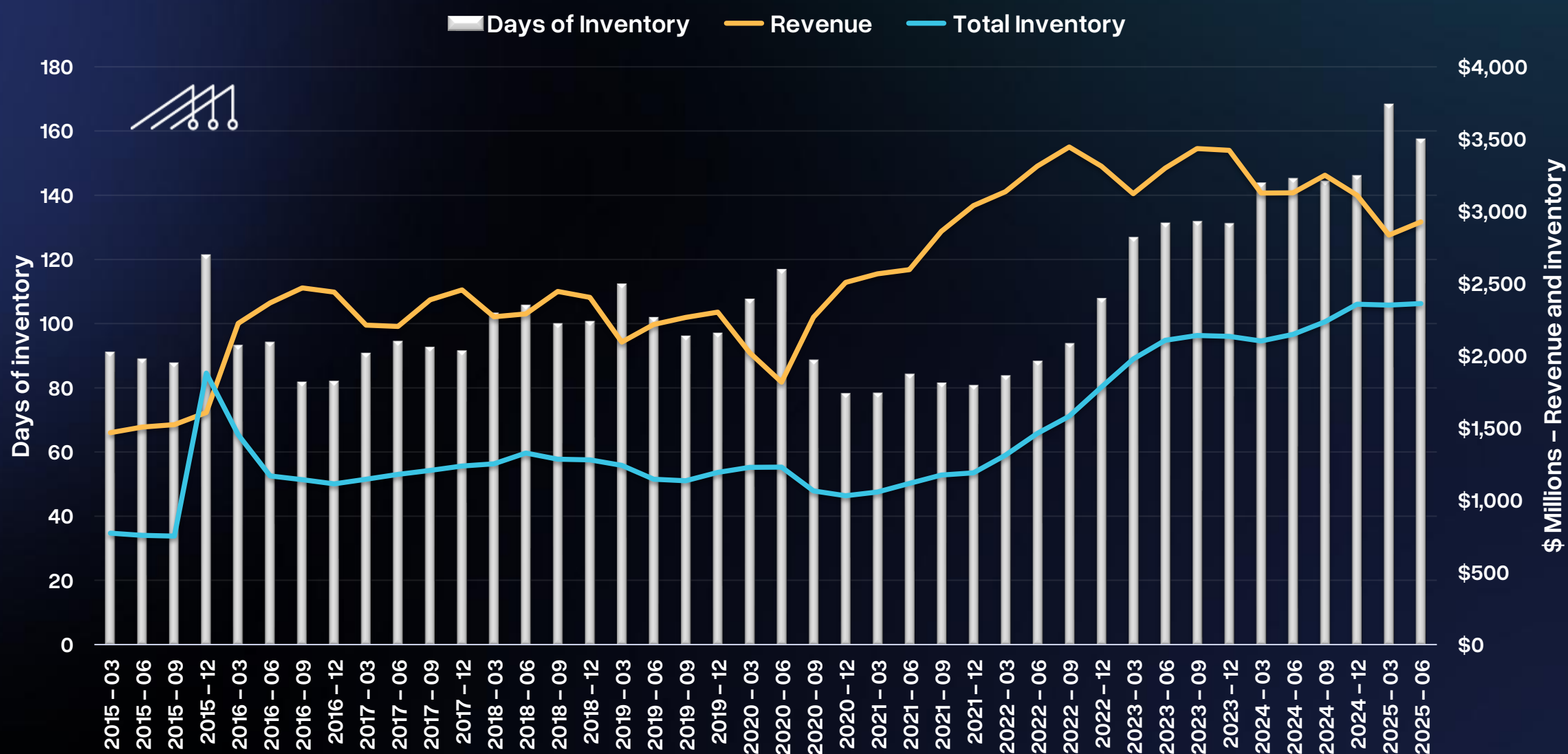
# NXP

# Q2'25 Earnings

Announced on 21, Jul'25

# Key Takeaways

- Revenue declined 6% YoY, up 3% QoQ primarily due to board-based recovery in industrial and consumer IoT
- Inventory is at historically high levels. Sequentially, days of inventory decreased by 11 days
- Customer backlog levels at distributors continued to grow, indicating early signs of cyclical recovery and stronger demand across core end markets

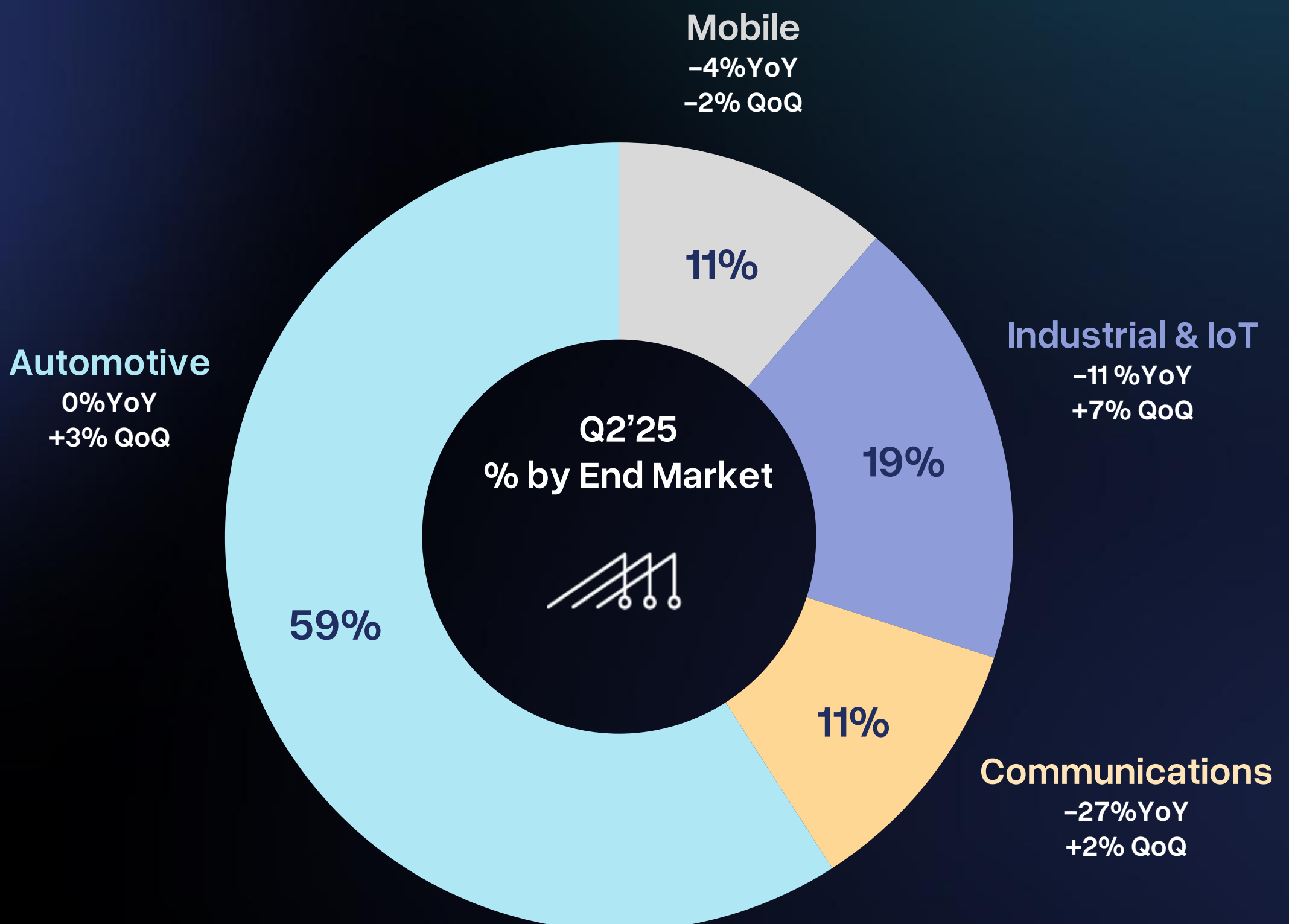


Gross Margin Trend



# Performance by Segment


- **Automotive:** Inventory digestion among Tier 1 suppliers is stabilizing, and demand in the Chinese market remains strong
- **Industrial & IoT:** Broad-based recovery seen in both core industrial and consumer IoT, with improving order patterns across all geographies



# Outlook

- **Q3'25 quarter midpoint guidance:**  
-3% YoY (vs. Q3'24) and +8% QoQ (vs. Q2'25)
- Hybrid manufacturing strategy underway, including consolidation of legacy 200mm fabs
- Aim to boost profitability by expanding its portfolio with **TTTech Auto** and pending **Kinara** and **Aviva Links** deals

## Segment Performance Outlook

Segment 	YoY Change	QoQ Change	Remarks
Automotive	Flat	Up mid-single digits	Tier 1 customers nearing normalized inventory levels
Industrial & IoT	Up mid-single digits	Up high-single digits	Broad-based recovery in core industrial and consumer IoT
Mobile	Up low-single digits	Up mid-20%	—
Communication Infra & Other	Down upper-20%	Flat	—



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