



NXP Closes Offering of Senior Unsecured Notes

May 1, 2020

EINDHOVEN, The Netherlands, May 01, 2020 (GLOBE NEWSWIRE) -- NXP Semiconductors N.V. (NASDAQ:NXPI) (together with its subsidiaries, "NXP") announced today that it has closed the previously announced offering by its subsidiaries NXP B.V., NXP Funding LLC and NXP USA, Inc. (together, the "Issuers") of \$500 million aggregate principal amount of 2.700% senior unsecured notes due May 1, 2025 (the "2025 Notes"), \$500 million aggregate principal amount of 3.150% senior unsecured notes due May 1, 2027 (the "2027 Notes") and \$1,000 million aggregate principal amount of 3.400% senior unsecured notes due May 1, 2030 (the "2030 Notes") and, together with the 2025 Notes and the 2027 Notes, the "Notes") pursuant to Rule 144A and Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Notes are fully and unconditionally guaranteed on a senior basis by NXP Semiconductors N.V.

NXP intends to use the net proceeds of the offering of the 2030 Notes to finance or refinance, in whole or in part, one or more eligible green projects, which are defined as investments in (A) research and development for NXP's (i) "green chip" resonant solutions, (ii) battery control and energy management for electric and hybrid cars, (iii) Advanced Driver Assistance Systems, (iv) mobile device "beam steering", (v) edge processing portfolio and (vi) smart building technologies, and (B) energy efficiency measures at NXP's manufacturing and non-manufacturing facilities. Pending the allocation of an amount equal to the net proceeds of the 2030 Notes to finance or refinance eligible green projects, the net proceeds of the 2030 Notes, together with the net proceeds of the 2025 Notes and the 2027 Notes, will be temporarily held as cash and other short term securities or temporarily used for the repayment of indebtedness, which may include the refinancing of the \$1,350 million aggregate principal amount of outstanding 4.125% Senior Notes due 2021, and other corporate expenditures.

"We are very pleased by the positive market reception to NXP's bond offering, and in particular the demand for our inaugural Green Bond. NXP realized significant interest in the offering, which was heavily oversubscribed, and achieved financing rates which were very attractive. Assuming NXP does not pay down its 2021 debt during the second quarter of 2020, the new offering will add about \$8 million of interest expense versus our original second quarter 2020 guidance provided on April 28, 2020," said Peter Kelly, NXP Chief Financial Officer.

The Notes were offered in the United States to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and outside the United States to non-United States persons in compliance with Regulation S under the Securities Act. The Notes have not been registered under the Securities Act and may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

About NXP Semiconductors

NXP Semiconductors N.V. (NASDAQ:NXPI) enables secure connections for a smarter world, advancing solutions that make lives easier, better and safer. As the world leader in secure connectivity solutions for embedded applications, NXP is driving innovation in the automotive, industrial & IoT, mobile, and communication infrastructure markets. Built on more than 60 years of combined experience and expertise, the company has approximately 29,000 employees in more than 30 countries and posted revenue of \$8.88 billion in 2019.

Forward-looking Statements

This document includes forward-looking statements which include statements regarding the offering of the Notes and the refinancing of the 4.125% Senior Notes due 2021. 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 risk that the refinancing of the 4.125% Senior Notes due 2021 may not be completed on the proposed terms, or at all. The following risks, among others, could affect our business and financial performance: the duration and spread of the COVID-19 outbreak, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume; market demand and semiconductor industry conditions; the ability to successfully introduce new technologies and products; demand for the goods into which NXP's products are incorporated; trade disputes between the U.S. and China, potential increase of barriers to international trade and resulting disruptions to our established supply chains; the ability to generate sufficient cash, raise sufficient capital or refinance debt at or before maturity to meet both our debt service and research and development and capital investment requirements; the ability to accurately estimate demand and match our production capacity accordingly or obtain supplies from third-party producers; the potential impact of the outbreak of COVID-19 on our business, operations, results of operations, financial condition, workforce or the operations or decisions of our customers, suppliers or business customers; the access to production capacity from third-party outsourcing partners and any events that might affect their business or NXP's relationship with them including the outbreak of COVID-19 or the requirements to suspend activities with customers or suppliers because of changing import and export regulations; the ability to secure adequate and timely supply of equipment and materials from suppliers; the ability to avoid operational problems and product defects and, if such issues were to arise, to rectify them quickly; the ability to form strategic partnerships and joint ventures and successfully cooperate with alliance partners; the ability to win competitive bid selection processes; the ability to develop products for use in customers' equipment and products; the ability to successfully hire and retain key management and senior product engineers; and, the ability to maintain good relationships with our suppliers. Readers are cautioned not to place undue reliance on forward-looking statements, which speak to results only as of the date the statements were made. Except for any ongoing obligation to disclose material information as required by the United States federal securities laws, NXP does not have any intention or

obligation to publicly update or revise any forward-looking statements in the future. For a discussion of potential risks and uncertainties, please refer to the risk factors listed in NXP's filings with the Securities and Exchange Commission. Copies of NXP's filings with the Securities and Exchange Commission are available on NXP's Investor Relations website, www.nxp.com/investor or from the SEC website, www.sec.gov. The information included on NXP's website is not incorporated into this press release.

For further information, please contact:

Investors

Jeff Palmer
jeff.palmer@nxp.com
+1 408 518 5411

Media

Jacey Zuniga
jacey.zuniga@nxp.com
+1 512 895 7398

NXP-Corp



Source: NXP USA, Inc.