

ON Semiconductor Limited  
Directors' report and financial statements  
For the year ended 31 December 2006

Registered Number 3765736



# **ON Semiconductor Limited**

## **Directors' report and financial statements for the year ended 31 December 2006**

### **Contents**

Directors' report for the year ended 31 December 2006	1
Independent auditors' report to the members of ON Semiconductor Limited	4
Profit and loss account for the year ended 31 December 2006	5
Statement of total recognised gains and losses for the year ended 31 December 2006	5
Balance sheet as at 31 December 2006	6
Accounting policies	7
Notes to the financial statements for the year ended 31 December 2006	9

# **ON Semiconductor Limited**

## **Directors' report for the year ended 31 December 2006**

The directors submit their report together with the audited financial statements of the company for the year ended 31 December 2006

### **Business review and principal activities**

The company is a wholly owned subsidiary of ON Semiconductor Corporation, incorporated in the United States of America. The principal activity of the company is unchanged from 2005 and is the sale of electronic devices. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

Worldwide semiconductor industry sales grew 6.8% in 2005 and 8.9% in 2006. Sales in our total addressable market grew in 2006, reflecting increases in volume that exceeded the impact of further price declines.

2006 was a strong year for the company. The company experienced a significant increase in the end market unit demand sufficient to grow revenues and slightly the prices. Net Revenues were \$235 million and \$195 million in 2006 and 2005, respectively. The increase was primarily due to increased product volume, partially offset by a decrease in average selling prices of approximately 5%.

The loss for the year after taxation amounted to \$4,730,409. This has arisen as a result of an impairment loss on the carrying value of the company's investments in group entities and does not impact trading. A capital contribution of \$9.3 million has been included in the statement of recognised gains and losses as a result of re-organisation of the investment in the company's French subsidiary. These two transactions, while separate, should be viewed together. No dividends were paid or payable as at 31 December 2006. Full details are set out in the profit and loss account on page 5.

The directors believe that the current level of operating activity should not decrease in the year ending 31 December 2007. The most recently published estimates of World Semiconductor Trade Statistics project a compound annual growth rate in our total addressable market of approximately 6.6% during 2007 through 2009. These are projections and may not be indicative of actual results.

### **Key performance indicators**

ON Semiconductor manages its worldwide operations on a divisional basis. For this reason, the directors do not believe that further key performance indicators would be necessary or appropriate for an understanding of the development, performance or position of the company. The performance of the UK entity is discussed in the group's Annual financial review, which does not form part of this report.

### **Principal risks and uncertainties**

Competitive pressure in the UK and abroad is a continuing risk to the company. The company operates in highly competitive and volatile markets particularly around price. This not only results in downward pressure on margins but also in the risk that we will not exceed our customers' expectations. Raw material price rises are a continuing pressure. The company's sales are made in \$ and therefore the company is exposed to movement in exchange rates.

The company is financed by the parent and has no third party debt.

# ON Semiconductor Limited

## Post balance events

No significant events have occurred since 31 December 2006

## Directors

The directors who held office during the year were

- P Tomlinson
- J Caprais (resigned on 9 November 2006)
- D Colvin (appointed on 9 November 2006)
- AM Hebert (appointed on 9 November 2006)

None of the directors held any notifiable interest in the shares of the company at any time during the year

## Statement of directors' responsibilities

The directors are required by UK company law to prepare Financial Statements for each financial year that gives a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period

The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 December 2006 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Employment of disabled persons

The company considers applications for employment, including those from disabled persons, in the light of its requirements and the qualifications, aptitudes and abilities of each individual. Should employees become disabled during the course of their employment every practical effort will be made to retain their services and to provide retraining where necessary.

All employees are eligible for consideration for appropriate training, career development and promotional opportunities and disabled persons are not treated differently in this respect.

## Employee involvement

The company maintains a policy of informing and consulting employees upon matters of concern to them affecting their immediate jobs.

The means employed to achieve these objectives vary from formal intimations disseminated by notices to all employees, to discussion and debate within various committees. These committees meet regularly and involve personnel at all levels. The company provides employees with information

## ON Semiconductor Limited

on the trading performance of the company and encourages interest from the employees in suggesting methods of improvement in production techniques or methods of improving profitability

### **Creditor payment policy**

The company's policy with regard to the payment of suppliers is to

- agree the terms of payment at the start of business with that supplier,
- ensure that the suppliers are made aware of the terms of the payment,
- pay in accordance with its contractual and legal obligations

During the year ended 31 December 2006, the company took an average of 37 days to settle its bills with suppliers (2005 34 days)

### **Auditors and disclosure of information to auditors**

Each director, as at the date of this report, has confirmed that insofar as they are aware there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting

On behalf of the Board

A handwritten signature in black ink, appearing to read 'P. Tomlinson', is written over a large, stylized, hand-drawn triangle.

Peter Tomlinson  
Director  
25 May 2007

# ON Semiconductor Limited

## Independent auditor's report to the members of ON Semiconductor Limited

We have audited the financial statements of ON Semiconductor Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

  
PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors  
Glasgow, 1 June 2007

# ON Semiconductor Limited

## Profit and loss account for the year ended 31 December 2006

	Notes	2006 \$	2005 \$
Turnover	1	234,625,191	196,187,147
Cost of sales		(209,846,092)	(163,544,501)
<b>Gross profit</b>		<b>24,779,099</b>	<b>32,642,646</b>
Distribution costs		(26,273,825)	(24,492,506)
Administrative expenses		(307,108)	(344,971)
Other operating income/(expense)		4,143,090	(4,069,418)
<b>Operating profit</b>		<b>2,341,256</b>	<b>3,735,751</b>
Fair value loss	8	(6,000,000)	-
(Loss)/profit on ordinary activities before interest and taxation		(3,658,744)	3,735,751
Interest receivable	2	339,659	160,041
Interest payable	2	(356,843)	(284,385)
<b>(Loss)/profit on ordinary activities before taxation</b>	3	<b>(3,675,928)</b>	<b>3,611,407</b>
Tax on profit on ordinary activities	6	(1,054,481)	(1,065,869)
(Loss)/profit on ordinary activities after taxation		(4,730,409)	2,545,538
Dividends		-	(5,344,910)
<b>(Loss)/profit for the year</b>		<b>(4,730,409)</b>	<b>7,890,448</b>
Retained profit brought forward		19,104,393	11,213,945
Retained profit carried forward		14,373,984	19,104,393

All results arose from continuing operations. There is no difference between the loss on ordinary activities before taxation and the loss for the year and their historical cost equivalents. The notes on pages 5 to 17 form an integral part of the financial statements.

## Statement of total recognised gains and losses for the year ended 31 December 2006

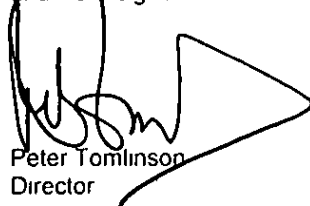
	Notes	2006 \$	2005 \$
(Loss)/profit for the financial year		(4,730,409)	7,890,448
Capital contribution		9,318,047	-
<b>Total recognised gains relating to the year</b>		<b>4,587,638</b>	<b>7,890,448</b>

# ON Semiconductor Limited

## Balance sheet as at 31 December 2006

	Notes	2006 \$	2005 \$
<b>Fixed assets</b>			
Tangible assets	7	9,040	14,089
Investments	8	11,600,002	17,600,002
		<b>11,609,042</b>	<b>17,614,091</b>
<b>Current assets</b>			
Stocks	9	1,992,772	1,356,971
Debtors	10	36,869,502	30,449,076
Cash at bank and in hand		7,426,806	9,220,262
		<b>46,289,080</b>	<b>41,026,309</b>
<b>Current liabilities</b>			
Creditors amounts falling due within one year	11	30,427,054	35,756,970
<b>Net current assets</b>		<b>15,862,026</b>	<b>5,269,339</b>
<b>Net assets</b>			
		<b>27,471,068</b>	<b>22,883,430</b>
<b>Capital and reserves</b>			
Called up share capital	13	3,777,288	3,777,288
Share premium account		1,749	1,749
Capital contribution	8	9,318,047	-
Profit and loss account		14,373,984	19,104,393
<b>Shareholder's funds</b>	14	<b>27,471,068</b>	<b>22,883,430</b>

The financial statements on page 5 to 17 were approved by the Board of Directors on 25 May 2007 and were signed on its behalf by



Peter Tomlinson  
Director



# **ON Semiconductor Limited**

## **Accounting policies**

### **Basis of accounting**

The financial statements have been prepared on the going concern basis under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards

### **Consolidation**

The financial statements contain information about ON Semiconductor Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, ON Semiconductor Corporation.

### **Turnover**

Turnover comprises the invoiced value of sales, net of value added tax, for goods supplied during the year. Customers are invoiced at the time of delivery of goods.

### **Foreign currencies**

The company conducts business primarily in US dollars and as a result, utilizes the dollar as their functional currency. For the translation of financial statements, assets and liabilities that are receivable or payable in cash are translated at current exchange rates while inventories and other non-monetary assets are translated at historical rates. Gains and losses resulting from the translation of the financial statements are included in the operating results, as are gains and losses incurred on foreign currency transactions.

### **Leases**

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the lease term.

### **Tangible fixed assets and depreciation**

Property, plant and equipment are recorded at cost and are depreciated over estimated useful lives using accelerated and straight-line methods. Most of the machinery and equipment currently in use are depreciated on a straight-line basis over a useful life from 2 to 3 years.

Expenditures for maintenance and repairs are charged to operations in the year in which the expense is incurred. When assets are retired or otherwise disposed of, the related costs and accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations in the period realized.

### **Accounting for fixed asset investments**

Investments in group undertakings are stated at a current market valuation. Provision for any diminution in value is made as appropriate and valuations are reviewed on an annual basis.

### **Pension and post retirement benefits**

The company operates under a defined contribution plan. Pension contributions are charged to the profit and loss account as incurred.

# **ON Semiconductor Limited**

## **Inventories**

Inventories are stated at the lower cost or net realisable value. Provision is made for obsolete or slow moving items where appropriate.

## **Taxation**

Corporation tax payable is provided on taxable profits at the current rate of tax in force.

## **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax balances are not subject to discounting.

# ON Semiconductor Limited

## Notes to the financial statements for the year ended 31 December 2006

### 1. Turnover

The company is engaged in the design, marketing and sales of a wide variety of semiconductor components. The company's reportable segments are aligned internally as the Integrated Power Group (IPG) and the Analog Products Group (APG).

The company have direct customers and serve also significant original equipment manufacturers indirectly through distributor and electronic manufacturing service provider customers. The direct and indirect customers include: (1) leading Original Equipment Manufacturers (OEM) in a broad variety of industries, such as Siemens, Philips, Motorola, Nokia and Sony, (2) global Distributors, such as EBV Elektronik, Avnet, Arrow and Future, (3) Electronic Manufacturing Service Providers (EMSI), such as Flextronics, Jabil and Sollectron.

Information about segments is as follows, in thousands of US Dollars

	2006 \$000	2005 \$000
Germany	97,366	77,230
France	19,398	17,474
Belgium	18,299	12,783
United Kingdom	17,301	16,047
Italy	14,880	11,837
Turkey	11,701	14,464
Hungary	9,862	9,189
Sweden	9,306	7,662
Israel	8,635	7,419
Spain	8,616	6,012
Poland	5,136	4,053
Other European countries	14,125	12,017
<b>Total</b>	<b>234,625</b>	<b>196,187</b>

# ON Semiconductor Limited

## 1. Turnover (continued)

By product group	2006	2005
	\$000	\$000
Integrated power group	140,692	99,834
Analog products group	93,933	96,353
<b>Total</b>	<b>234,625</b>	<b>196,187</b>

By Customer	2006	2005
	\$000	\$000
Distributors	112,472	85,640
O E M	100,049	93,169
E M S I	22,104	17,378
<b>Total</b>	<b>234,625</b>	<b>196,187</b>

## 2. Interest and similar items

	2006	2005
	\$	\$
Bank interest receivable	339,659	160,041
Interest payable on loans from company undertakings	(356,843)	(284,385)
<b>Net interest payable</b>	<b>(17,184)</b>	<b>(124,344)</b>

## 3. (Loss)/profit on ordinary activities before taxation

Operating profit is stated after charging/(crediting)

	2006	2005
	\$	\$
Auditors' remuneration – audit services	72,775	83,199
Auditors' remuneration – non audit services (tax compliance)	64,672	89,346
Depreciation (Note 7)	6,179	5,743
Exchange (gain)/loss	(4,602,529)	3,816,987

# ON Semiconductor Limited

## 4. Staff costs

	2006	2005
	\$	\$
Wages and salaries	684,355	1,201,459
Social security costs	82,142	139,148
Other pension costs (Note 16)	61,455	96,500
	827,952	1,437,107

The average number of persons employed by the company during the year (excluding directors) was 6 (2005 7)

## 5. Directors' remuneration

None of the directors received remuneration and retirement benefits from the company

During the year, Peter F Tomlinson was a related party of the company and his partnership (Peter F Tomlinson & Co ) charged \$61,592 18 (2005 \$65,731 75) for the provision of his services As at 31 December 2006, the company owned \$4,904 (2005 \$7,970) to his partnership

## 6. Taxation on (loss)/profit on ordinary activities

	2006	2005
	\$	\$
<b>Current tax</b>		
- UK corporation tax on profits of the year at 30% (2005 30%)	753,534	1,058,853
- adjustment in respect of previous year	343,834	-
<b>Total current tax</b>	<b>1,097,368</b>	<b>1,058,853</b>
<b>Deferred tax</b>		
- (credit)/charge for the year	(42,887)	7,016
<b>Total deferred tax (Note 12)</b>	<b>(42,887)</b>	<b>7,016</b>
<b>Tax on profit on ordinary activities</b>	<b>1,054,481</b>	<b>1,065,869</b>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%)

# ON Semiconductor Limited

## 6. Taxation on (loss)/profit on ordinary activities (continued)

The differences are explained below

	2006	2005
	\$	\$
<b>(Loss)/profit on ordinary activities before tax</b>	<b>(3,675,928)</b>	<b>8,956,317</b>
Profit on ordinary activities multiplied by the standard rate in the UK 30% (2005 30%)	<b>(1,102,778)</b>	<b>2,686,895</b>
Effects of		
Expenses not deductible for tax purposes	-	8,732
Permanent differences	<b>1,816,369</b>	<b>(1,603,473)</b>
Capital allowances for the period in excess of depreciation	<b>(2,139)</b>	<b>(5,210)</b>
Adjustment in respect of previous year	<b>343,834</b>	-
Timing differences	<b>42,082</b>	-
Translation differences	-	(28,091)
<b>Total current tax</b>	<b>1,097,368</b>	<b>1,058,853</b>

As the result of the 2001 to 2004 tax enquiries, the company has paid an additional corporation tax for a total amount of £225,000 (\$395,100) on 10 February 2006. This additional tax relates to the 2004 tax return only.

# ON Semiconductor Limited

## 7. Tangible fixed assets

Company	Machinery & equipment
	\$
<b>Cost</b>	
At 1 January 2006	45,990
Additions	1,130
<b>At 31 December 2006</b>	<b>47,120</b>
<b>Depreciation</b>	
At 1 January 2006	31,901
Charge for year	6,179
<b>At 31 December 2006</b>	<b>38,080</b>
<b>Net book amount</b>	
<b>31 December 2006</b>	<b>9,040</b>
31 December 2005	14,089

## 8. Investments

The company's investments as at 31 December 2006 are as follows

Company	Shareholdings	2006	2005
	%	\$	\$
ON Semiconductor France SAS	100	7,100,000	10,400,000
ON Semiconductor Germany GmbH	100	1,100,000	4,400,000
ON Semiconductor Italy S r l	100	300,000	1,000,000
ON Semiconductor Canada Trading Corporation	100	2,000,000	1,200,000
SCG Korea Limited	100	1,100,000	600,000
Other	-	2	2
		<b>11,600,002</b>	<b>17,600,002</b>

Investments in company undertakings are stated at a current market valuation. The principal activity of all subsidiaries is the sale of electronic devices and dedicated activities (R&D) to develop new products. Other investments represent a single share in SCG Hong Kong SAR Limited and in ON Semiconductor Industries Singapore Pte Limited.

# ON Semiconductor Limited

## 8. Investments (continued)

The movement on investments is as follows

	\$
At 1 January 2006	17,600,002
Impairment charge	6,000,000
<b>At 31 December 2006</b>	<b>11,600,002</b>

The company purchased a 100% shareholding in the above entities from fellow Company undertakings on 31 December 2003 for a total consideration of \$17,600,002 (£10,042,796)

As at November 14, 2006, ON Semiconductor France SAS has reduced its capital by Euro 7,272,906 (\$9,318,047). The amount of the reduction has been paid to ON Semiconductor Limited as a capital contribution.

As at December 31, 2006, the remaining carrying value of the assets and liabilities acquired at 31 December 2003 has been updated to reflect their fair value at that date. A decrease of the carrying value for a total amount of \$6,000,000 has been recorded accordingly.

## 9. Stocks

	2006	2005
	\$	\$
Finished goods and goods for resale	<b>1,992,772</b>	1,356,971

The inventories are stored in consignment inventories, either in our customers' premises or in a warehouse located in Utrecht (The Netherlands).



# ON Semiconductor Limited

## 10. Debtors

	2006	2005
	\$	\$
Trade debtors	30,226,865	24,168,219
Amounts owed by group undertakings	4,169,099	4,159,771
Prepayments and accrued income	94,749	24,401
Other debtors	2,215,163	1,975,946
Deferred taxation (Note 12)	163,626	120,739
	36,869,502	30,449,076

## 11. Creditors: amounts falling due within one year

	2006	2005
	\$	\$
Trade creditors	293,502	607,491
Amounts due to group undertakings	23,338,238	29,701,744
UK Corporation tax payable	(4,336)	831,350
Social security & other payroll liabilities	28,428	316,953
VAT payable	2,555,614	1,118,257
Accruals	4,215,608	3,181,175
	30,427,054	35,756,970

At 31 December 2005, the amount due to company undertakings by the company included a loan for a total amount of \$2,480,000 advanced by ON Semiconductor France SAS. It bears interest at 5.661% per annum. This loan has been fully reimbursed within 2006.

# ON Semiconductor Limited

## 12. Deferred taxation

The company has a deferred taxation asset of \$163,626 as at 31 December 2006 (2005 \$120,739)

	2006	2005
	\$	\$
Accelerated capital allowances	9,266	11,405
Short term timing differences	152,325	106,761
Pension provision	2,035	2,573
<b>Closing balance</b>	<b>163,626</b>	<b>120,739</b>

The movement in the deferred taxation asset is as follows

	\$
At 1 January 2006	120,739
Credited to profit and loss account	42,887
<b>At 31 December 2006</b>	<b>163,626</b>

## 13. Called up share capital

	2006	2005
Authorised – 5,000,000 of £1 each	5,000,000	5,000,000
Allotted and fully paid ordinary shares 2,155,371 of £1 each	2,155,371	2,155,371
<b>Allotted and fully paid ordinary shares 2,155,371 at \$1.7525 each</b>	<b>3,777,288</b>	<b>3,777,288</b>

Share capital is translated at the rate of exchange ruling at date of change of functional currency and this becomes the historic rate

## ON Semiconductor Limited

### 14. Shareholder's funds

	2006	2005
	\$	\$
(Loss)/profit for the financial year	(4,730,409)	7,890,448
Opening shareholders' funds	22,883,430	14,992,982
Capital contribution	9,318,047	-
<b>Closing shareholders' funds</b>	<b>27,471,068</b>	<b>22,883,430</b>

The capital contribution is a distributable reserve

### 15. Operating lease commitments

Annual payments to be made by the company during the year ending 31 December 2006 in respect of buildings held under operating leases comprise those whose commitments expire as follows

	Land and buildings	
	2006	2005
	\$	\$
- within one year	59,000	72,000
- in two to five years	108,000	-
	<b>167,000</b>	<b>72,000</b>

### 16. Pension commitments

#### Defined contribution scheme

The company operates a defined contribution company personal pension scheme. Contributions are charged to the profit and loss account as incurred.

The cost of contributions to the company scheme amount to \$61,455 (2005 \$96,500), and are based on pension costs across the company as a whole. An amount of \$6,784 (2005 \$8,577) is included being the outstanding contributions to the company scheme.

## **ON Semiconductor Limited**

### **17. Parent undertaking and controlling party**

The immediate holding company is ON Semiconductor Trading Limited, in Bermuda. The ultimate holding company and controlling party is ON Semiconductor Corporation, incorporated in the United States of America.

Copies of the holding company's financial statements can be obtained from 5005 East McDowell Road, Phoenix, AZ 85 008, United States of America.

### **18. Related party transactions**

The company has exercised the exemptions available under the terms of FRS 8 Related Party Disclosures relating to the disclosure of related party transactions with entities that are part of the ON Semiconductor Corporation Company. Details of transactions with directors are disclosed in note 6.