

ON Semiconductor Limited
Directors' report and financial statements
For the year ended 31 December 2012

Registered Number 3765736



ON Semiconductor Limited

Directors' report and financial statements for the year ended 31 December 2012

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ON Semiconductor Limited

Directors and advisers for the year ended 31 December 2012

Directors

D Colvin (until October 26, 2012)
Y De Busschop (from October 27, 2012)
S Penent
AM Hebert

Secretary

Y De Busschop

Independent auditors

PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow
G2 7EQ

Registered office

Thames Court
1 Victoria Street
Windsor
Berkshire
SL4 1YB

Bankers

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London EC2M 4AA
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Polska
Poland

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Niederlassung Deutschland
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The Royal Bank of Scotland NV
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Fortis Bank (Nederland) NV
Po Box 616
5201 AP Den Bosch
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ON Semiconductor Limited

Directors and advisers for the year ended 31 December 2012 (continued)

Lawyers

Peter F Tomlinson & Co
Solicitors
7A Northumberland Buildings
Queen Square
BATH BA1 2JB

ON Semiconductor Limited

Directors' report for the year ended 31 December 2012

The directors submit their annual report together with the audited financial statements of the company for the year ended 31 December 2012

Business review and principal activities and future outlook

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 the sale of electronic devices.

The loss for the company for the year after taxation amounted to \$44,540 (as compared to a profit after taxation of \$6,882,133 for the year ended 31 December 2011). No dividends were paid or payable for the years ended 31 December 2011 or 2012. Full details are set out in the profit and loss account on page 10.

In terms of business, the company's sales have decreased in 2012 (\$376,662,451) as compared to 2011 (\$434,415,551), mainly due to the decrease in the Automotive Market and the economical crisis in Europe, especially in the second half of the year. The company has had to adapt its structure to the decrease in demand and has incurred restructuring charges for an amount of \$86,299.

Based upon product booking trends, backlog levels, manufacturing services revenues and estimated turns levels, the Directors anticipate flat revenues for 2013 as compared to 2012.

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

Post balance events

No significant events have occurred since 31 December 2012.

Directors

The directors who held office during the year and up to the date of signing these financial statements were:

- D Colvin (until October 26, 2012)
- Y De Busschop (from October 27, 2012)
- S Penent
- AM Hebert

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

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.

ON Semiconductor Limited

Directors' report for the year ended 31 December 2012 (continued)

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 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 2012, the company took an average of 36 days to settle its bills with suppliers (2011: 29 days)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ON Semiconductor Limited

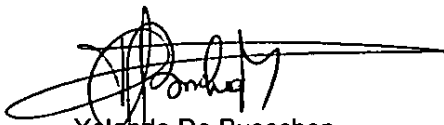
Directors' report for the year ended 31 December 2012 (continued)

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 'Yolande De Buscchop', with a long horizontal line extending to the right.

Yolande De Buscchop
Director
July 17, 2013

ON Semiconductor Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ON SEMICONDUCTOR LIMITED

We have audited the financial statements of ON Semiconductor Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities as set out on page 6 and 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our audit.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.


ON Semiconductor Limited

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ON SEMICONDUCTOR LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Lorraine Quinn
Senior Statutory Auditor
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
August 13, 2013

ON Semiconductor Limited

Profit and loss account for the year ended 31 December 2012

	Notes	2012 \$	2011 \$
Turnover	1	376,662,451	434,415,551
Cost of sales		(346,436,914)	(398,395,385)
Gross profit		30,225,537	36,020,166
Distribution costs		(27,510,236)	(30,033,403)
Administrative expenses		(191,017)	(183,834)
Other operating (expense)/income		(592,974)	209,297
Operating profit	3	1,931,310	6,012,226
Impairment of investments	8	(2,162,401)	-
Restructuring charges		(86,299)	-
(Loss)/Profit on ordinary activities before interest and taxation		(317,390)	6,012,226
Dividend income		1,014,715	2,853,000
Interest payable and similar charges	2	(318,880)	(547,345)
Profit on ordinary activities before taxation		378,445	8,317,881
Tax on profit on ordinary activities	6	(422,985)	(1,435,748)
(Loss)/Profit for the financial year	14	(44,540)	6,882,133
Retained profit brought forward		22,489,946	15,607,813
Retained profit carried forward		22,445,406	22,489,946


All results arose from continuing operations. There is no difference between the profit on ordinary activities before taxation and the loss for the year and their historical cost equivalents. The notes on pages 14 to 23 form an integral part of the financial statements.

ON Semiconductor Limited

Balance sheet as at 31 December 2012

	Notes	2012 \$	2011 \$
Fixed assets			
Tangible assets	7	-	-
Investments	8	64,502,447	66,664,848
		64,502,447	66,664,848
Current assets			
Stocks	9	6,236,790	5,554,864
Debtors	10	48,013,225	52,627,974
Cash at bank and in hand		3,590,248	6,341,729
		57,840,263	64,524,567
Current liabilities			
Creditors amounts falling due within one year	11	40,083,380	48,885,545
Net current assets		17,756,883	15,639,022
Net assets			
		82,259,330	82,303,870
Capital and reserves			
Called up share capital	13	3,777,289	3,777,289
Share premium account	15	1,749	1,749
Capital contribution	15	56,034,886	56,034,886
Profit and loss account	15	22,445,406	22,489,946
Shareholders' funds	14	82,259,330	82,303,870

The financial statements on page 10 to 23 were approved by the Board of Directors on July 17, 2013 and were signed on its behalf by



Yolande De Busschop
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 2006 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 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its parent company, ON Semiconductor Corporation.

Cash flow statement

The company is a wholly owned subsidiary of ON Semiconductor Corporation, a company incorporated in Delaware, United States of America, and the cash flows of the company are included in the consolidated group cash flow statement of ON Semiconductor Corporation. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 revised 1996 "Cash Flow Statements".

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 and turnover is recognised at that point.

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

Machinery and equipment is recorded at cost and is depreciated over its estimated useful life using accelerated and straight-line methods. Most of the machinery and equipment currently in use is depreciated on a straight-line basis over a useful life between 2 and 3 years.

Expenditure for maintenance and repairs is charged to the profit and loss accounts 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 the profit and loss accounts in the period in which the gain or loss is realised.

Accounting for fixed asset investments

Investments in group undertakings are stated at the lower of cost and net realisable value. Provision for any diminution in value is made as appropriate and 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.

Inventories

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

ON Semiconductor Limited

Accounting policies (continued)

Current 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 2012

1. Turnover

The company is engaged in the design, marketing and sales of a wide variety of semiconductor components. The company is organised into four operating segments, which also represent three reporting segments: Application Products Group (APG) which includes Computing and Consumer Products Group (CCPG), Automotive and Industrial, Medical and Mil-aero products group (AIMM), Standard Products Group (SPG) and SANYO Semiconductor products group (SANYO). These segments represent the company's view of the business and as such are used to evaluate progress of major initiatives.

The company has direct customers and also serves 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 Hella or Continental, (2) Global Distributors, such as EBV Elektronik, Avnet, Arrow or Future, (3) Electronic Manufacturing Service Providers (EMSI), such as Flextronics or Jabil.

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

	2012	2011
	\$000	\$000
Germany	174,901	203,290
Belgium	40,263	50,060
France	35,228	41,544
Hungary	25,076	25,212
United Kingdom	20,851	32,138
Italy	18,335	21,308
Czech Republic	15,194	11,095
Romania	9,869	8,790
Austria	8,896	9,646
Spain	8,103	5,423
Portugal	7,434	10,059
Other European countries	12,512	15,851
Total	376,662	434,416

ON Semiconductor Limited

1. Turnover (continued)

By product group	2012	2011
	\$000	\$000
APG	226,473	307,611
SPG	143,407	118,214
SANYO	6,782	8,591
Total	376,662	434,416

By Customer	2012	2011
	\$000	\$000
O E M	232,611	244,000
Distributors	116,945	160,641
E M S I	27,106	29,775
Total	376,662	434,416

2. Interest payable and similar charges

	2012	2011
	\$	\$
Bank interest payable	(282,103)	(471,295)
Interest payable on loans from company undertakings	(36,777)	(76,050)
Interest payable and similar charges	(318,880)	(547,345)

3. Operating profit

Operating profit is stated after charging/(crediting)

	2012	2011
	\$	\$
Auditors' remuneration – audit services	95,72	96,57
Auditors' remuneration – non audit services	37,33	33,43
Operating lease expenses on buildings	111,15	109,31
Exchange loss/(gain)	508,08	(404,616)

ON Semiconductor Limited

4. Staff costs

	2012	2011
	\$	\$
Wages and salaries	1,275,606	1,294,074
Social security costs	123,997	134,999
Other pension costs (Note 17)	118,110	100,373
	1,517,713	1,529,446

The average number of persons employed by the company during the year (excluding directors) was 8 (2011 10)

5. Directors' remuneration

None of the directors received remuneration or retirement benefits from the company. The costs have been paid by another group company and have not been recharged to ON Semiconductor Limited.

6. Tax on profit on ordinary activities

	2012	2011
	\$	\$
UK Current tax:		
- UK corporation tax on profits of the year at 24.5% (2011 26.5%)	350,38	1,392,61
- adjustment in respect of prior years	540	17,62
- double tax relief	-	(6,84€)
Total UK current tax	350,92	1,403,39
Foreign Current tax:		
- foreign tax on income for the period	50,73	6,84
- adjustment in respect of prior years	(1,41€)	4,35
Total foreign current tax	49,31	11,20
Total Current Tax	400,23	1,414,59
Deferred tax		
- Origination and reversal of timing differences	11,20	8,89
- Change in Tax rates or laws	11,54	12,25
Total deferred tax (Note 12)	22,74	21,15
Tax on profit on ordinary activities	422,98	1,435,74

ON Semiconductor Limited

6. Taxation on profit on ordinary activities (continued)

The differences are explained below

	2012 \$	2011 \$
Profit on ordinary activities before taxation	378,4	8,317,8
Profit on ordinary activities multiplied by the standard effective rate of tax in the UK 24.5% (2011: 26.5%)	92,7	2,203,6
Effects of		
Expenses not deductible for tax purposes	277,1	(773,7)
Capital allowances for the period in excess of depreciation	(540)	(789)
Adjustment in respect of prior periods	(876)	21,9
Timing differences	(11,3)	(8,6)
Withholding tax suffered	50,7	-
Translation differences	(7,5)	(27,9)
Total current tax	400,2	1,414,5

Factors affecting future tax charges

During the year, a change in the UK Corporation tax rate from 26% to 24% effective from 1 April 2012 was substantively enacted in March 2012. A further reduction to 23%, effective from 1 April 2013, was substantively enacted in July 2012 and the relevant deferred tax balances have been re-measured accordingly.

In addition to the changes in rates of Corporation tax disclosed above, a number of further changes in the UK Corporation tax system were announced in the March 2013 UK Budget statement. Legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014, and to 20% from 1 April 2015, will be included in the Finance Act 2013. These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements. Had the changes in the rate to 20% been substantively enacted as of the balance sheet date, there would have been no significant impact on the financial statements.

ON Semiconductor Limited

7. Tangible fixed assets

	Machinery & equipment \$
Cost	
At 1 January 2012	3,340
Disposals	-
At 31 December 2012	3,340
Depreciation	
At 1 January 2012	3,340
Charge for year	-
Disposals	-
At 31 December 2012	3,340
Net book amount	
31 December 2012	-
31 December 2011	-

ON Semiconductor Limited

8. Investments

The Company's investments as at 31 December 2012 are as follows

Company	Shareholdings (Ordinary shares)	2012	2011
	%	\$	\$
ON Semiconductor France SAS	100	7,100,000	7,100,000
ON Semiconductor SAS	100	142,946	142,946
ON Semiconductor Germany GmbH	100	500,000	500,000
ON Semiconductor Italy S r l	100	300,000	300,000
ON Semiconductor Canada Trading Corporation	100	835,000	835,000
SCG Korea Limited	100	1,100,000	1,100,000
AMI Semiconductor companies			
ON Semiconductor Netherlands BV	100	10,060,400	11,400,000
AMI Semiconductor Leasing BVBA	100	32,077,199	32,900,000
ON Semiconductor Belgium BVBA	100	8,586,900	8,586,900
ON Semiconductor Design Czech S r o	100	2,500,000	2,500,000
ON Semiconductor Switzerland SA	100	1,300,000	1,300,000
Other	-	2	2
		64,502,447	66,664,848

Investments in subsidiaries are stated at carrying value. 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, in Semiconductor Components Industries Singapore Pte Limited and in ON Electronics Private Ltd.

The Company acquired a 100% shareholding in the above entities from fellow Company undertakings. The original investments were acquired on 31 December 2003 for a total consideration of \$17,600,002 and the remaining investments were acquired on 26 March 2009 for a total consideration of \$91,103,680.

In 2010, a new company, ON Semiconductor SAS, was set-up in France, fully acquired by ON Semiconductor Ltd for a total amount of \$142,946.

As at 31 December 2012, an impairment review was undertaken by the directors, following a review of each of the entities net assets position and an impairment adjustment for \$2,162,401 was booked.

ON Semiconductor Limited

8. Investments (continued)

At 1 January 2012	66,664,848
Additions	-
Cost at 31 December 2012	66,664,848
Impairment charge	(2,162,401)
At 31 December 2012	64,502,447

In the opinion of the directors \$64,502,447 reflects the fair value of the acquired entities as at December 31, 2012

9. Stocks

	2012	2011
	\$	\$
Finished goods and goods for resale	6,236,790	5,554,864

The inventories are stored in consignment inventories in our customers' premises

10. Debtors

	2012	2011
	\$	\$
Trade debtors	43,573,843	47,901,528
Amounts owed by group company undertakings	4,271,984	4,402,965
VAT receivable	-	88,197
Other debtors	28,695	28,166
Prepayments and accrued income	17,142	62,811
Deferred taxation (Note 12)	121,561	144,307
	48,013,225	52,627,974

ON Semiconductor Limited

11. Creditors: amounts falling due within one year

	2012	2011
	\$	\$
Trade creditors	210,901	116,075
Amounts owed to Eurofactor (UK) Limited	3,256,729	13,074,647
Amounts owed to group company undertakings	24,338,889	22,568,279
Corporation tax payable	155,875	731,820
Social security & other payroll liabilities	114,429	227,831
VAT payable	552,075	-
Accruals	11,454,482	12,166,893
	40,083,380	48,885,545

ON Semiconductor Limited signed a Confidential Invoice Discounting agreement with Eurofactor (UK) Limited on November 9, 2009. This agreement can be terminated after this period by both parties with a three month notice to terminate the agreement.

12. Deferred taxation

The Company has a deferred taxation asset of \$121,561 as at 31 December 2012 (2011 \$144,307)

	2012	2011
	\$	\$
Accelerated capital allowances	-	2,978
Short term timing differences	110,317	134,524
Pension provision	11,244	6,805
Closing balance	121,561	144,307

The movement in the deferred taxation asset is as follows

	\$	\$
At 1 January 2012	144,307	165,461
(Charged) to profit and loss account (Note 6)	(22,746)	(21,154)
At 31 December 2012	121,561	144,307

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset and therefore the asset has been recognised within the financial statements.

ON Semiconductor Limited

13. Called up share capital

	2012	2011
Authorised – 5,000,000 of £1 each (2011 5,000,000)	£5,000,000	£5,000,000
Allotted and fully paid Ordinary shares 2,155,372 of £1 each (2011 2,155,372 of £1 each)	£2,155,372	£2,155,372
Allotted and fully paid Ordinary shares : 2,155,372 at \$1 7525 each	\$3,777,289	\$3,777,289

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

As at March 26, 2009, ON Semiconductor Trading Limited increased its ownership in the Company through a capital contribution, in return for the issue of one share, for a total amount of \$45,551,840 to allow its subsidiary to acquire the European AMI Semiconductor companies as listed in note 8

14. Reconciliation of movements in shareholders' funds

	2012 \$	2011 \$
(Loss)/Profit for the financial year	(44,540)	6,882,133
Net (reduction)/addition to shareholders' funds	(44,540)	6,882,133
Opening shareholders' funds	82,303,870	75,421,737
Closing shareholders' funds	82,259,330	82,303,870

15. Reserves

	Share premium account \$	Profit and loss account \$	Capital contribution \$
As at 1 January 2012	1,749	22,489,946	56,034,886
Loss for the financial year	-	(44,540)	-
As at 31 December 2012	1,749	22,445,406	56,034,886

ON Semiconductor Limited

16. Operating lease commitments

Annual payments to be made by the Company during the year ending 31 December 2013 in respect of buildings held under operating leases whose commitments expire are as follows

Company	Land and buildings	
	2012	2011
	\$	\$
- within one year	75,000	59,000

17. 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 \$118,110 (2011: \$100,373), and are based on pension costs across the Company as a whole. An amount of \$48,888 (2011: \$27,222) is included as being the outstanding contributions to the Company scheme.

18. Parent undertaking and principal subsidiaries

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

Copies of the Company consolidated financial statements can be obtained from 5005 East McDowell Road, Phoenix, AZ 85 008, United States of America.

19. 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.