ON Semiconductor®

ON SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENT OF OPERATIONS
(in millions, except per share data)

	Quarter Ended		
	April 1, 2005	December 31, 2004	April 2, 2004
Revenues	$ 302.4	$ 306.8	$ 308.2
Cost of revenues	206.2	208.2	212.3
Gross profit	96.2	98.6	95.9
Operating expenses:			
Research and development	23.1	23.0	23.5
Selling and marketing	19.3	16.9	18.4
General and administrative	20.4	18.5	17.2
Restructuring, asset impairments and other, net	1.1	5.6	13.1
Total operating expenses	63.9	64.0	72.2
Operating income	32.3	34.6	23.7
Other income (expenses), net:			
Interest expense	(14.6)	(21.1)	(34.3)
Interest income	0.9	0.6	0.4
Realized and unrealized foreign currency gains (losses)	(1.0)	(2.1)	(1.7)
Loss on debt prepayment	-	(96.3)	(33.0)
Other income (expenses), net	(14.7)	(118.9)	(68.6)
Income (loss) before income taxes and minority interests	17.6	(84.3)	(44.9)
Income tax provision	(1.8)	(2.6)	(1.6)
Minority interests	(1.0)	(1.4)	(1.1)
Net income (loss)	14.8	(88.3)	(47.6)
Less: Accretion to redemption value of convertible redeemable preferred stock	0.1	0.1	(1.8)
Less: Redeemable preferred stock dividends	(2.6)	(2.6)	(2.4)
Less: Allocation of undistributed earnings to preferred stockholders	(1.9)	-	-
Net income (loss) applicable to common stock (1)	$ 10.4	$ (90.8)	$ (51.8)
Income (loss) per common share:			
Basic: (1)			
Net income (loss) applicable to common stock	$ 0.04	$ (0.36)	$ (0.23)
Diluted: (1)(2)			
Net income (loss) applicable to common stock	$ 0.04	$ (0.36)	$ (0.23)
Weighted average common shares outstanding:			
Basic	255.0	254.5	229.5
Diluted: (2)	287.8	254.5	229.5

(1) Effective in the second quarter of 2004 and pursuant to EITF 03-6, under the two-class method of calculating basic earnings per share in periods in which we generate income, we will allocate net income available to common stockholders on a pro-rata basis between our common and preferred stockholders. Given our capital structure, this new standard has the effect lowering our basic earnings per share when compared with our previous method of calculating basic earnings per share.

(2) Pursuant to the adoption of EITF 04-8, the diluted weighted average common shares outstanding for the quarter ended April 1, 2005 includes 26.5 million shares from the assumed conversion of our zero coupon convertible notes.

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ON SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEET

(in millions)

	April 1, 2005	December 31, 2004
Assets		
Cash, cash equivalents and short-term investments	$ 204.1	$ 185.7
Receivables, net	151.2	131.5
Inventories, net	175.8	193.4
Other current assets	19.3	23.6
Deferred income taxes	3.1	2.8
Total current assets	553.5	537.0
Property, plant and equipment, net	455.6	472.0
Deferred income taxes	-	-
Goodwill	77.3	77.3
Other assets	25.9	23.8
Total assets	$ 1,112.3	$ 1,110.1
Liabilities, Minority Interests, Redeemable Preferred Stock and Stockholders' Deficit		
Accounts payable	$ 90.8	$ 104.4
Accrued expenses	105.4	100.4
Income taxes payable	4.1	2.4
Accrued interest	0.4	1.2
Deferred income on sales to distributors	96.9	96.7
Current portion of long-term debt	19.1	20.0
Total current liabilities	316.7	325.1
Long-term debt	1,126.9	1,131.8
Other long-term liabilities	31.6	32.2
Deferred income taxes	0.4	2.3
Total liabilities	1,475.6	1,491.4
Minority interests in consolidated subsidiaries	24.9	25.4
Redeemable preferred stock	133.6	131.1
Common stock	2.5	2.5
Additional paid-in capital	1,114.5	1,116.0
Accumulated other comprehensive loss	3.8	1.1
Accumulated deficit	(1,642.6)	(1,657.4)
Total stockholders' deficit	(521.8)	(537.8)
Total liabilities, minority interests, redeemable preferred stock and stockholders' deficit	$ 1,112.3	$ 1,110.1

ON SEMICONDUCTOR CORPORATION AND SUBSIDIARIES
UNAUDITED RECONCILIATION OF NET INCOME (LOSS) TO EBITDA* AND CASH PROVIDED BY OPERATING ACTIVITIES

(in millions)

	Quarter Ended		
	April 1, 2005	December 31, 2004	April 2, 2004
Net income (loss)	$ 14.8	$ (88.3)	$ (47.6)
Plus:			
Depreciation and amortization	25.1	25.5	26.3
Interest expense	14.6	21.1	34.3
Interest income	(0.9)	(0.6)	(0.4)
Income tax provision	1.8	2.6	1.6
EBITDA*	55.4	(39.7)	14.2
Increase (decrease):			
Interest expense	(14.6)	(21.1)	(34.3)
Interest income	0.9	0.6	0.4
Income tax provision	(1.8)	(2.6)	(1.6)
Loss (gain) on sale or disposal of fixed assets	(0.5)	0.7	12.1
Non-cash portion of loss on debt prepayment (1)	-	26.2	12.0
Amortization of debt issuance costs and debt discount	0.5	1.8	1.9
Provision for excess inventories	3.1	4.2	-
Non-cash impairment of property, plant and equipment	-	3.3	-
Non-cash interest on junior subordinated note payable	3.9	3.7	3.5
Deferred income taxes	(2.2)	5.5	(0.8)
Other	0.7	0.8	1.2
Changes in operating assets and liabilities	(9.2)	(17.3)	3.2
Net cash provided by (used in) operating activities (1)	$ 36.2	$ (33.9)	$ 11.8

*EBITDA represents net income (loss) before interest expense, interest income, provision for income taxes, depreciation and amortization expense. While EBITDA is not intended to represent cash flow from operations as defined by generally accepted accounting principles and should not be considered as an indicator of operating performance or an alternative to cash flow as a measure of liquidity, we believe this measure is useful to investors to assess our ability to meet our future debt service, capital expenditure and working capital requirements. This calculation may differ in method of calculation from similarly titled measures used by other companies. The table above sets forth our EBITDA with a reconciliation to net cash provided by (used in) operating activities, the most directly comparable financial measure under generally accepted accounting principles.

(1) For the quarters ended December 31, 2004 and April 2, 2004, respectively; amounts have been revised to exclude the cash portion of the loss on debt prepayments from the adjustments to reconcile net income (loss) to net cash provided by (used) in operating activities.