



# STMicroelectronics Q4 & FY 2025 Financial Results

January 29, 2026

# Forward looking information

Some of the statements contained in this release that are not historical facts are statements of future expectations and other forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933 or Section 21E of the Securities Exchange Act of 1934, each as amended) that are based on management's current views and assumptions, and are conditioned upon and also involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those anticipated by such statements due to, among other factors:

- changes in global trade policies, including the continuation, adoption and expansion of tariffs and trade barriers and sanctions, that are affecting and could further affect the macro-economic environment and are adversely impacting and could further adversely impact the demand for our products;
- uncertain macro-economic and industry trends (such as inflation and fluctuations in supply chains), which are impacting and may further impact production capacity and end-market demand for our products;
- customer demand that differs from projections which may require us to undertake transformation measures that may not be successful in realizing the expected benefits in full or at all;
- the ability to design, manufacture and sell innovative products in a rapidly changing technological environment;
- changes in economic, social, public health, labor, political, or infrastructure conditions in the locations where we, our customers, or our suppliers operate, including as a result of macro-economic or regional events, geopolitical and military conflicts, social unrest, labor actions, or terrorist activities;
- unanticipated events or circumstances, which may impact our ability to execute our plans and/or meet the objectives of our R&D and manufacturing programs, which benefit from public funding;
- financial difficulties with any of our major distributors or significant curtailment of purchases by key customers;
- the loading, product mix, and manufacturing performance of our production facilities and/or our required volume to fulfill capacity reserved with suppliers or third-party manufacturing providers;
- availability and costs of equipment, raw materials, utilities, third-party manufacturing services and technology, or other supplies required by our operations (including increasing costs resulting from inflation);
- the functionalities and performance of our IT systems, which are subject to cybersecurity threats and which support our critical operational activities including manufacturing, finance and sales, and any breaches of our IT systems or those of our customers, suppliers, partners and providers of third-party licensed technology;
- theft, loss, or misuse of personal data about our employees, customers, or other third parties, and breaches of data privacy legislation;
- the impact of IP claims by our competitors or other third parties, and our ability to obtain required licenses on reasonable terms and conditions;
- changes in our overall tax position as a result of changes in tax rules, new or revised legislation, the outcome of tax audits or changes in international tax treaties which may impact our results of operations as well as our ability to accurately estimate tax credits, benefits, deductions and provisions and to realize deferred tax assets;
- variations in the foreign exchange markets and, more particularly, the U.S. dollar exchange rate as compared to the Euro and the other major currencies we use for our operations;
- the outcome of ongoing litigation as well as the impact of any new litigation to which we may become a defendant;
- product liability or warranty claims, claims based on epidemic or delivery failure, or other claims relating to our products, or recalls by our customers for products containing our parts;
- natural events such as severe weather, earthquakes, tsunamis, volcano eruptions or other acts of nature, the effects of climate change, health risks and epidemics or pandemics in locations where we, our customers or our suppliers operate;
- increased regulation and initiatives in our industry, including those concerning climate change and sustainability matters and our goal to become carbon neutral in all direct and indirect emissions (scopes 1 and 2), product transportation, business travel, and employee commuting emissions (our scope 3 focus), and to achieve our 100% renewable electricity sourcing goal by the end of 2027;
- epidemics or pandemics, which may negatively impact the global economy in a significant manner for an extended period of time, and could also materially adversely affect our business and operating results;
- industry changes resulting from vertical and horizontal consolidation among our suppliers, competitors, and customers;
- the ability to successfully ramp up new programs that could be impacted by factors beyond our control, including the availability of critical third-party components and performance of subcontractors in line with our expectations; and
- individual customer use of certain products, which may differ from the anticipated uses of such products and result in differences in performance, including energy consumption, may lead to a failure to achieve our disclosed emission-reduction goals, adverse legal action or additional research costs.

Such forward-looking statements are subject to various risks and uncertainties, which may cause actual results and performance of our business to differ materially and adversely from the forward-looking statements. Certain forward-looking statements can be identified by the use of forward-looking terminology, such as "believes", "expects", "may", "are expected to", "should", "would be", "seeks" or "anticipates" or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions.

Some of these risk factors are set forth and are discussed in more detail in "Item 3. Key Information — Risk Factors" included in our Annual Report on Form 20-F for the year ended December 31, 2024 as filed with the Securities and Exchange Commission ("SEC") on February 27, 2025. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this press release as anticipated, believed or expected. We do not intend, and do not assume any obligation, to update any industry information or forward-looking statements set forth in this release to reflect subsequent events or circumstances.

Unfavorable changes in the above or other factors listed under "Item 3. Key Information — Risk Factors" from time to time in our SEC filings, could have a material adverse effect on our business and/or financial condition.

# Highlights

Q4  
2025

- Net revenues came above the mid-point of our business outlook range, driven by higher revenues in Personal Electronics and, to a lesser extent, in CECP and Industrial, while Automotive was below expectations.
- Gross margin of 35.2% was above the mid-point of our business outlook range mainly due to better product mix.
- Q4 revenues marked the return to year-over-year growth.
- During Q4 we further worked down inventories both in our Balance sheet and in distribution and we generated a positive \$257M FCF\*.

FY  
2025

- FY25 revenues decreased 11.1% to \$11.80B, mainly driven by a strong decrease in Automotive and, to a lesser extent, in Industrial while Personal Electronics and CECP both grew.
- Gross margin was 33.9% down from 39.3% in FY24. Non-U.S. GAAP\* operating margin was 4.7% and non-U.S. GAAP\* net income was \$486M and Non-U.S. GAAP\* diluted EPS was \$0.53.
- We invested \$1.79B in Net Capex\* while delivering FCF\* of \$265M.

Q1  
2026

- Outlook at the mid-point is for net revenues of \$3.04B, decreasing 8.7% Q/Q, better than average past seasonality, and accelerating the year-over-year growth dynamic that started in Q4.
- Gross margin is expected to be about 33.7%; including about 220 bps of unused capacity charges.

FY  
2026

- For 2026, we plan to invest between \$2.0 to \$2.2B in Net Capex\*.

- Our strategic priorities remain to accelerate innovation; execute our company-wide program to reshape our manufacturing footprint and resize our global cost base and strengthen free cash flow generation.



\*Non-U.S. GAAP measure. See Appendix for additional information explaining why the Company believes these measures are important.

# Q4 2025 Business dynamics



# On track for our key sustainability commitments

**Carbon neutral\* by 2027**

**Sourcing 100% renewable electricity by 2027**

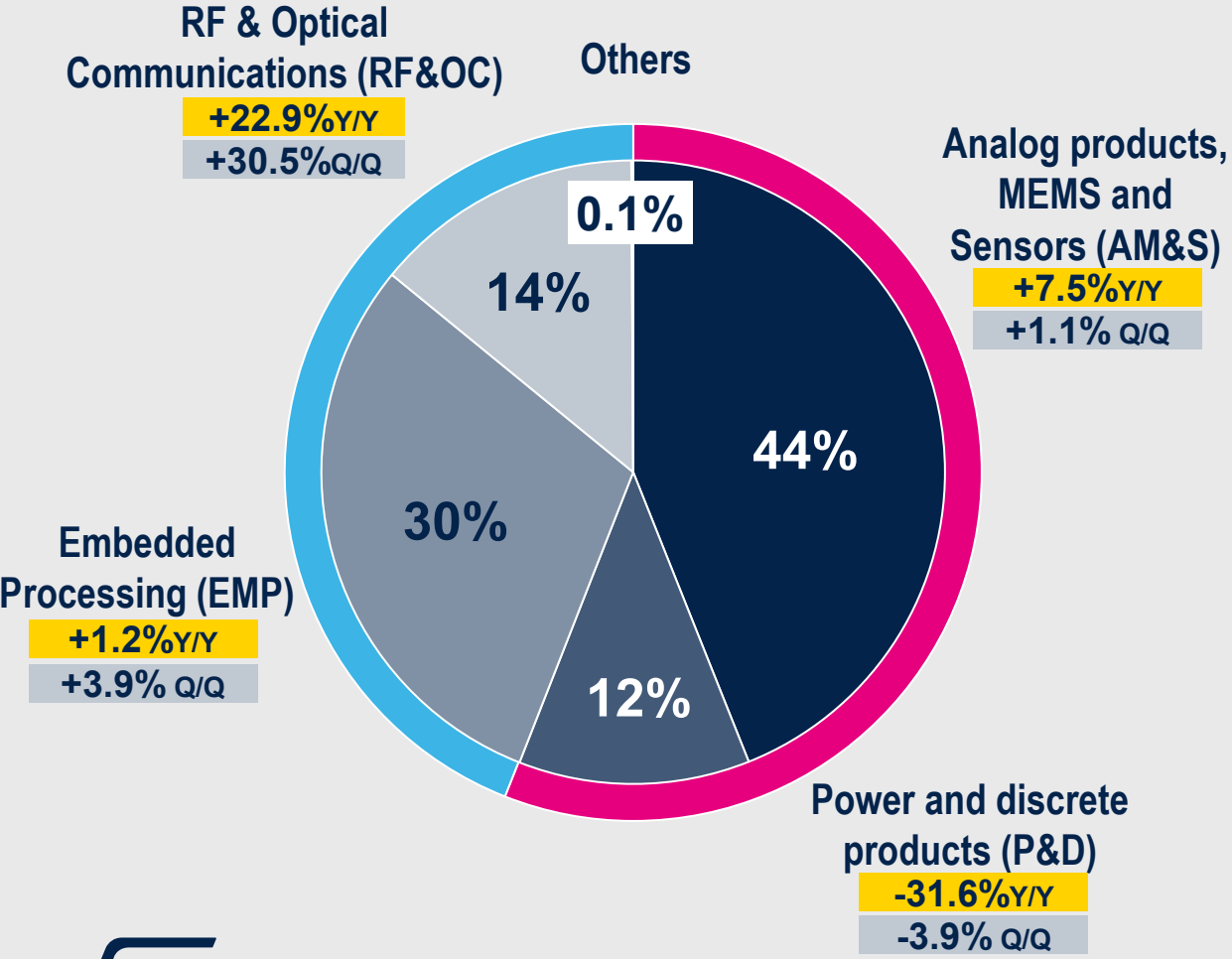


\*on scope 1 & 2 and focusing on product transportation, business travel and employee commuting emissions for scope 3

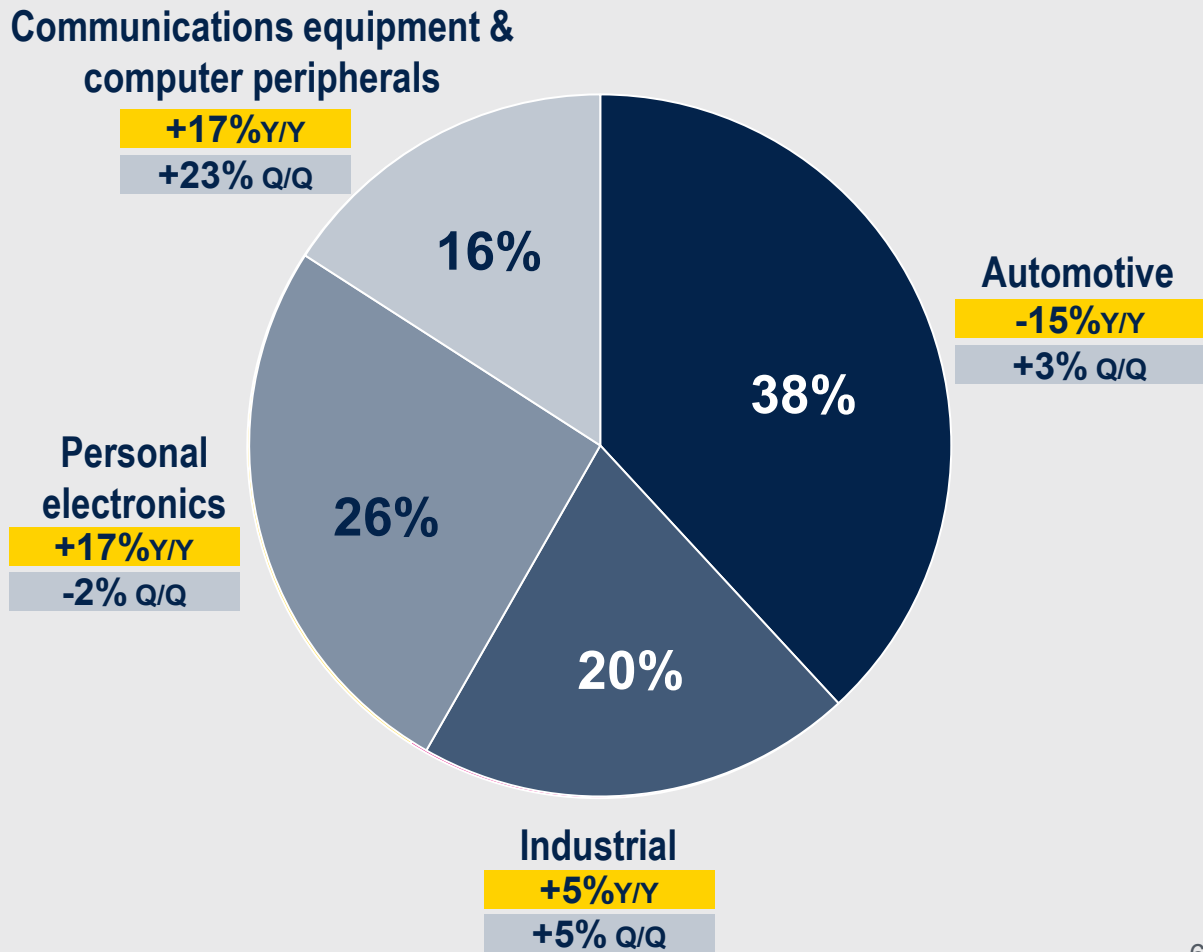


# Q4 2025 Revenues dynamics

## % by reportable segments



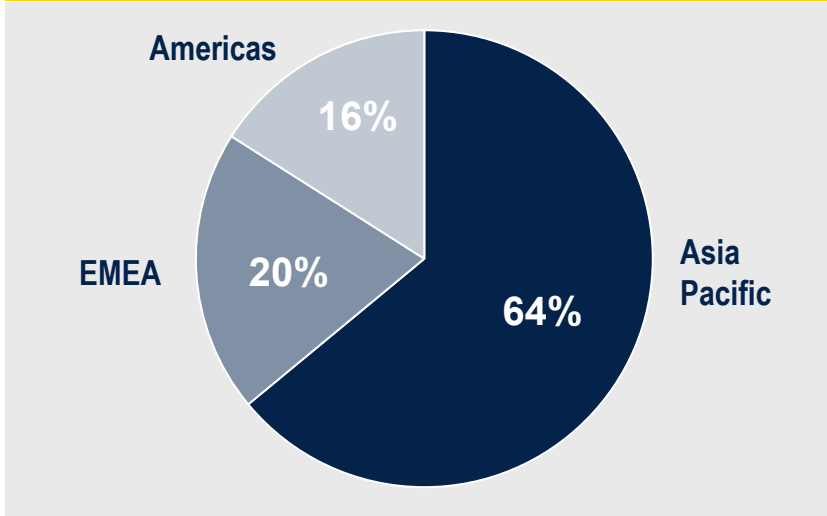
## % by end market



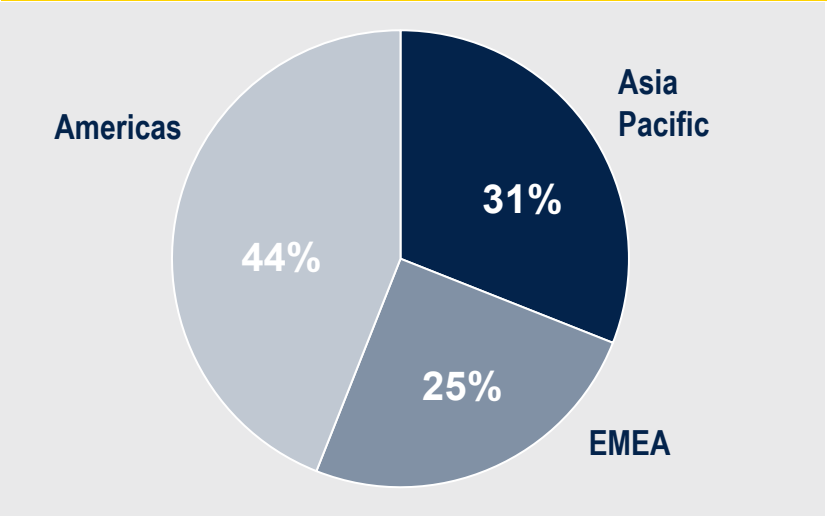
■ Analog, Power & Discrete, MEMS and Sensors (APMS)  
■ Microcontrollers, Digital ICs and RF products (MDRF)

# Q4 2025 Revenues

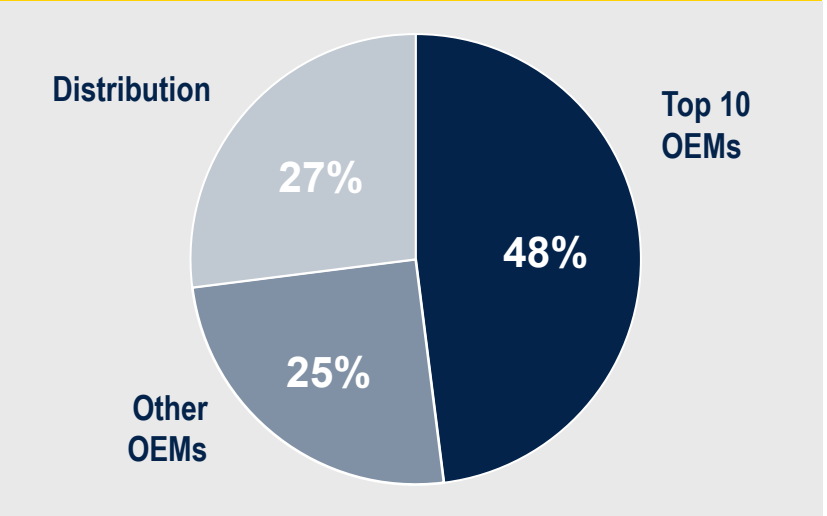
**% by shipment location**



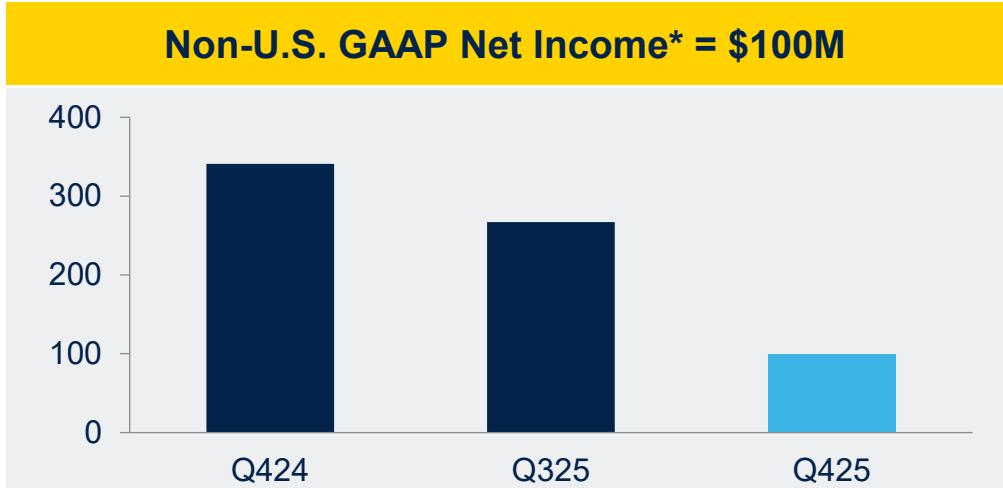
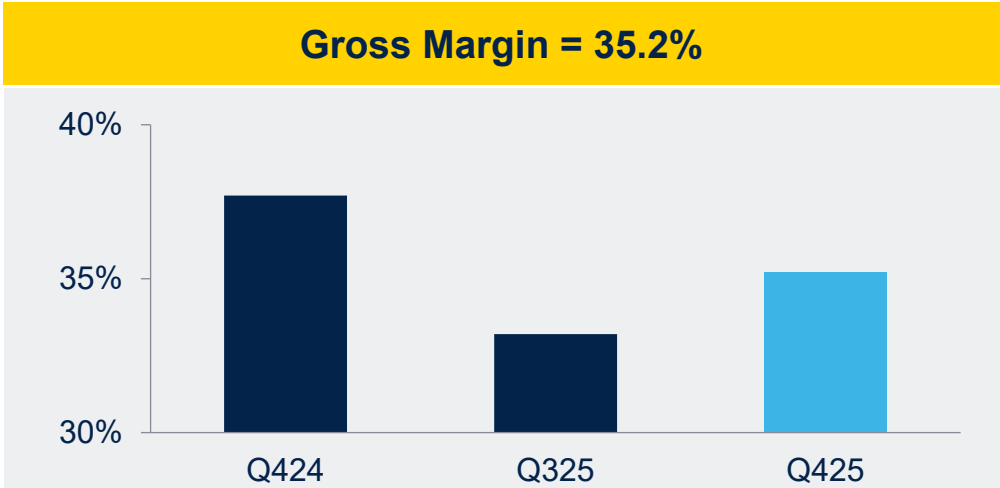
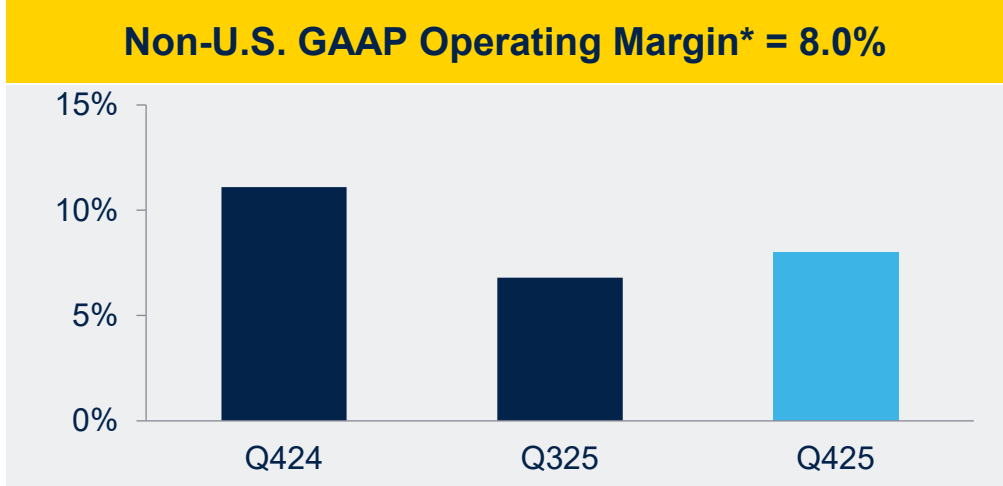
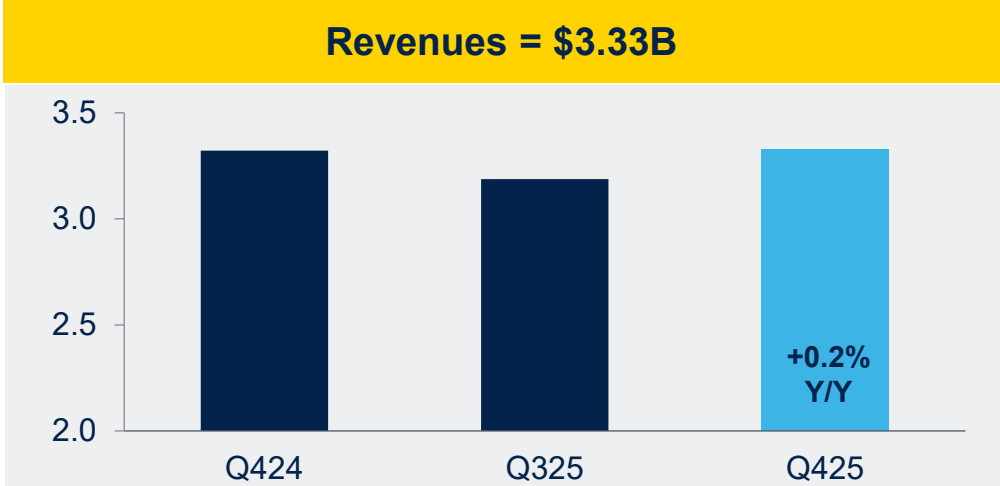
**% by region of origin**



**% by customer type**



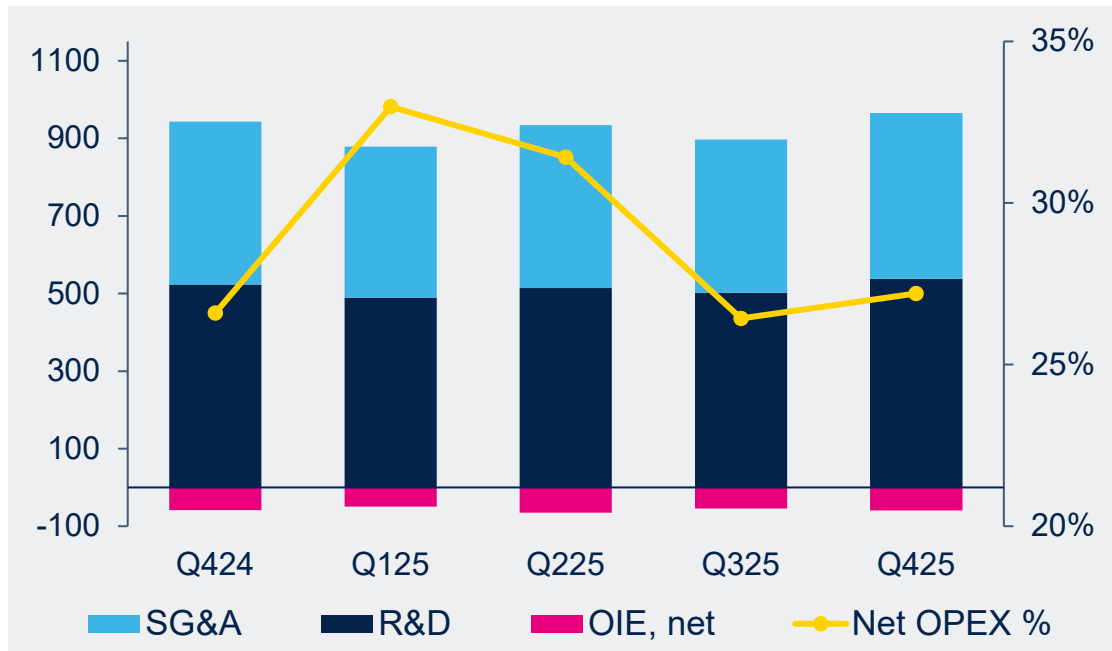
# Q4 2025 Financial highlights



\*Non-U.S. GAAP measure. See Appendix for additional information explaining why the Company believes these measures are important.

# Net operating expenses\*

**Q425 Net Operating Expenses = \$906M**



**Q425 Combined SG&A and R&D at \$965M**

- 29.0% of revenues.

**Q425 Net Operating Expenses at \$906M**

- 27.2% of revenues.

**Q126 Net Operating Expenses expected at about \$860M**

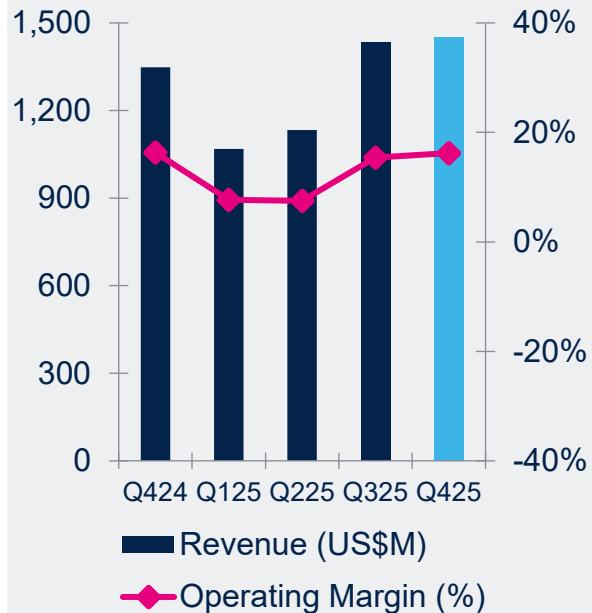


\* Net operating expenses: R&D + SG&A + Other expenses ( - Other income). They exclude Impairment, restructuring charges and other related phase-out costs.

# Q4 2025 Reportable segments results

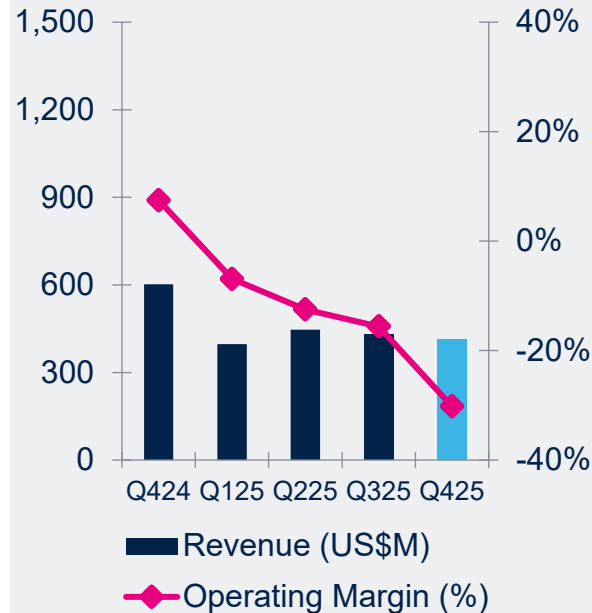
## Analog products, MEMS and Sensors (AM&S)

Revenues = \$1,449M  
Operating Margin = 16.2%



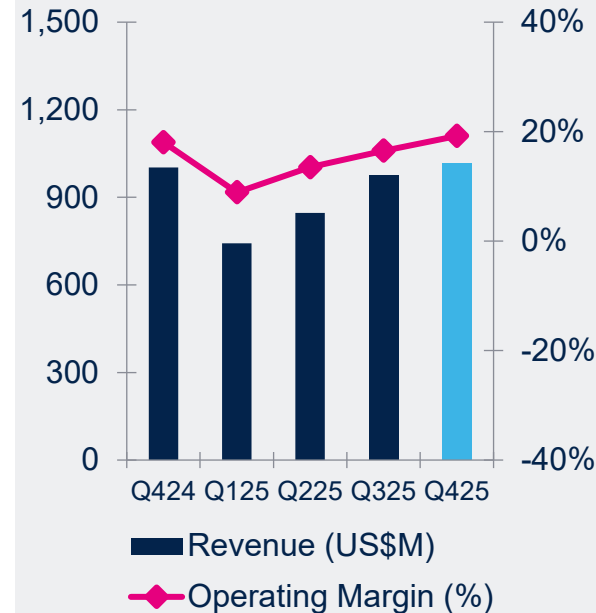
## Power and discrete products (P&D)

Revenues = \$412M  
Operating Margin = -30.2%



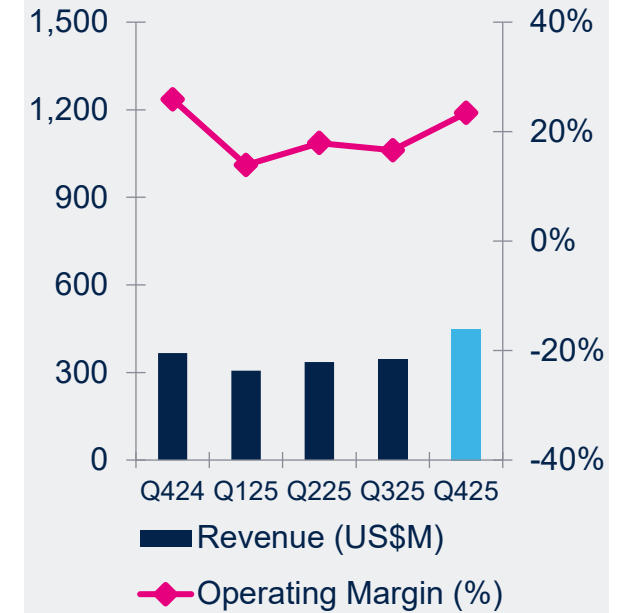
## Embedded Processing (EMP)

Revenues = \$1,015M  
Operating Margin = 19.2%



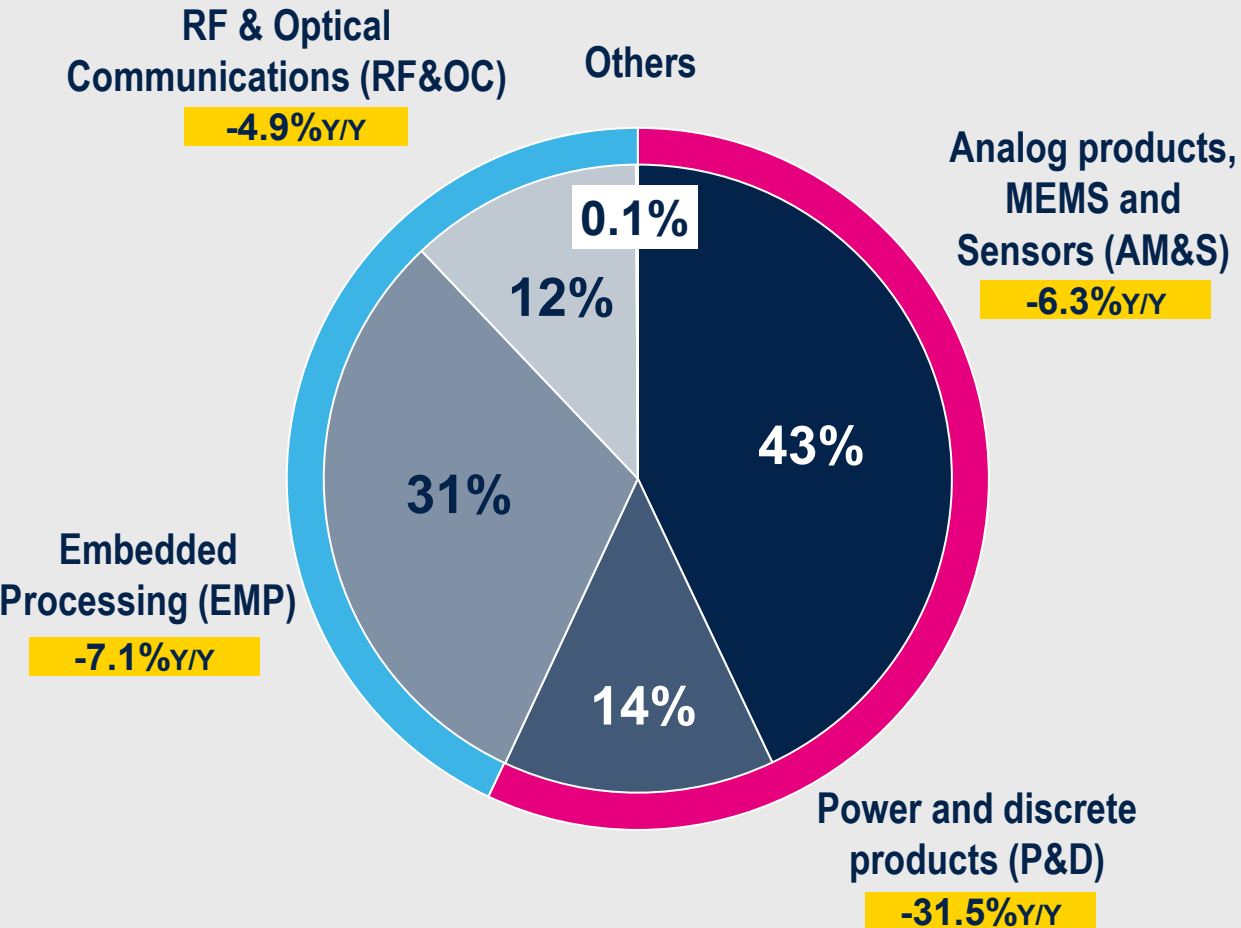
## RF & Optical Communications (RF&OC)

Revenues = \$449M  
Operating Margin = 23.4%

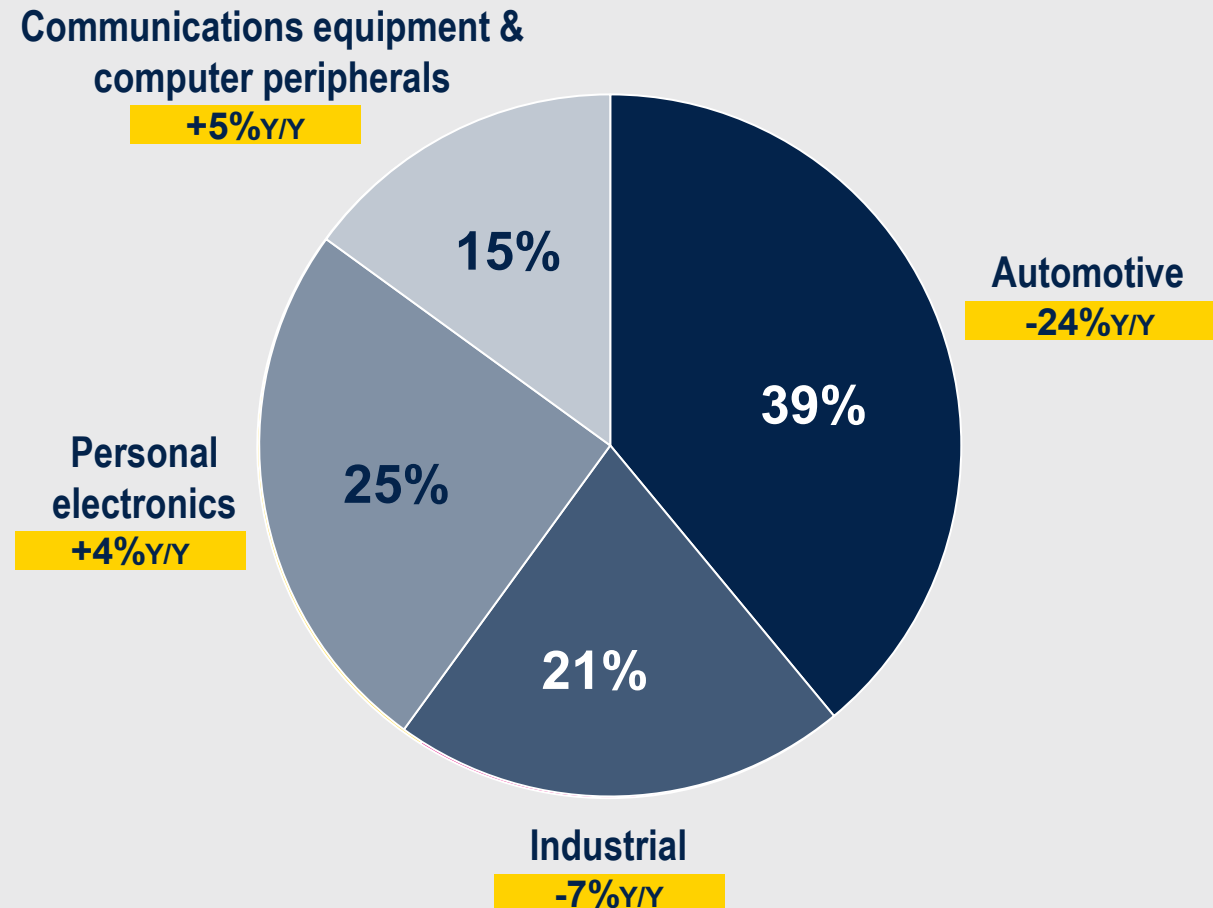


# FY 2025 Revenues dynamics

## % by reportable segments



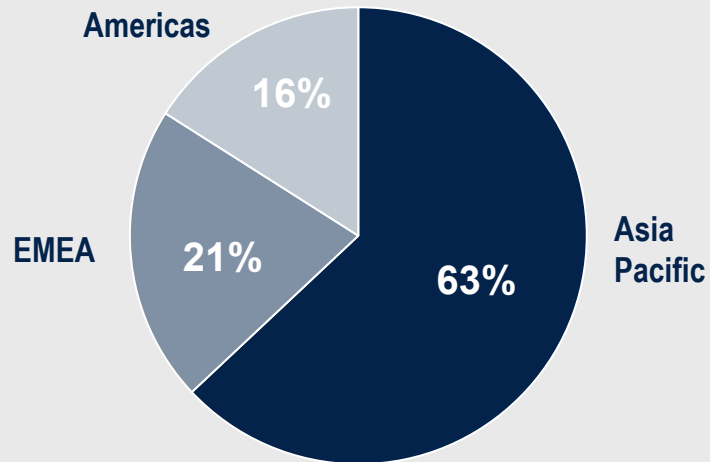
## % by end market



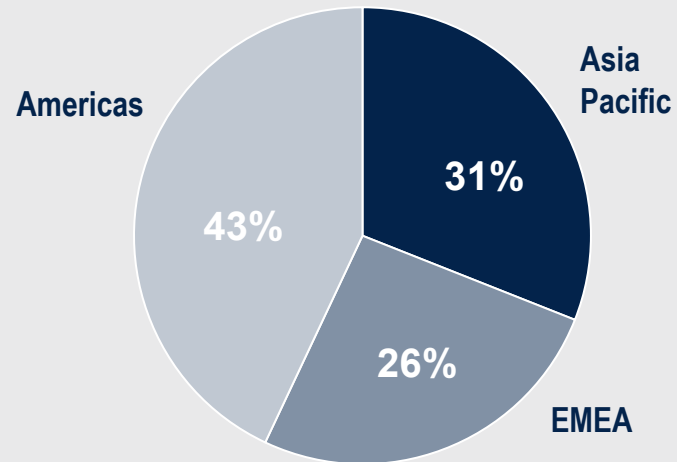
■ Analog, Power & Discrete, MEMS and Sensors (APMS)  
■ Microcontrollers, Digital ICs and RF products (MDRF)

# FY 2025 Revenues

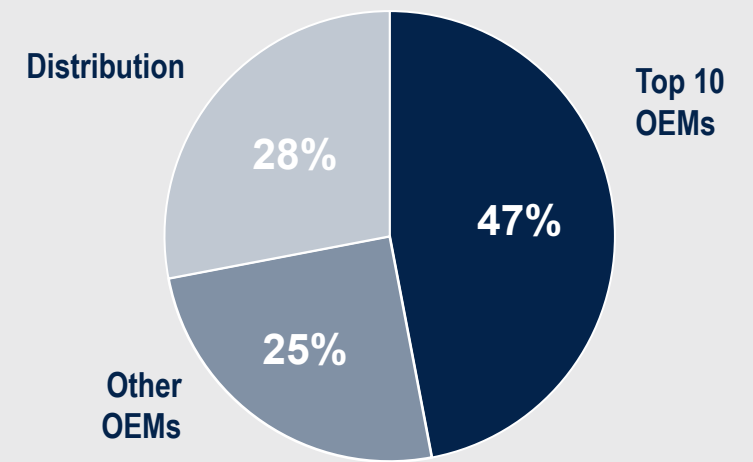
## % by shipment location



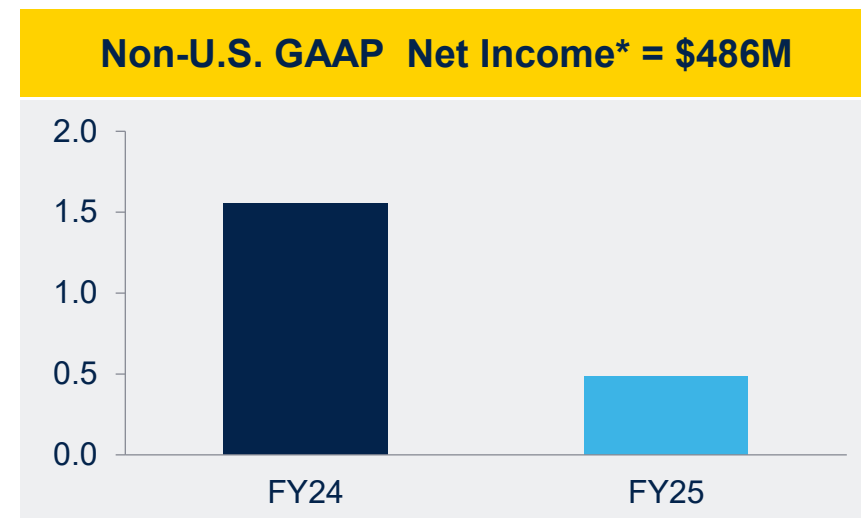
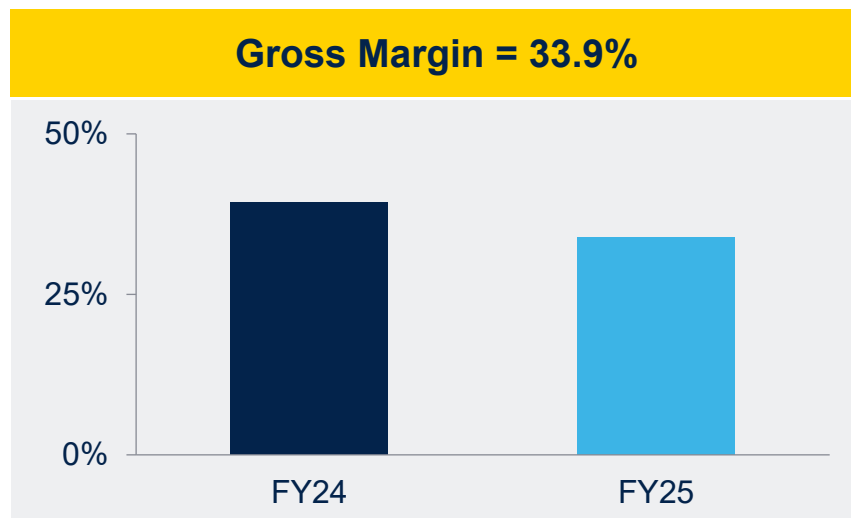
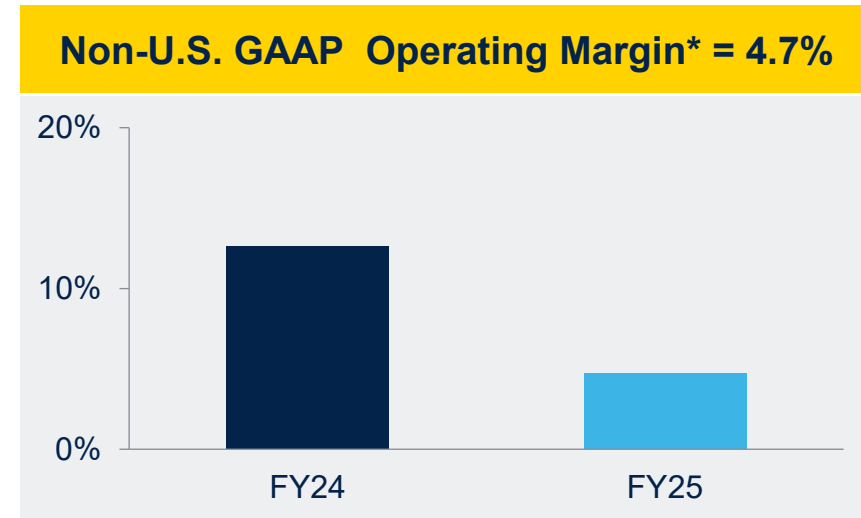
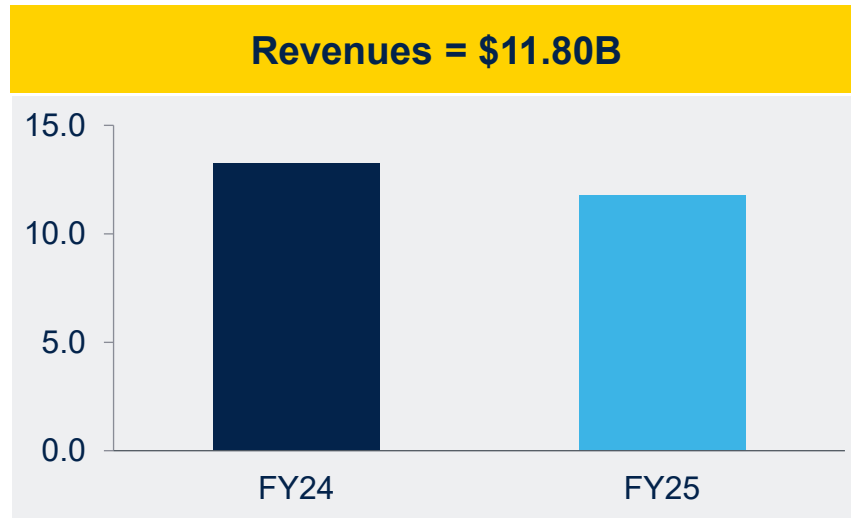
## % by region of origin



## % by customer type



# FY 2025 Financial highlights

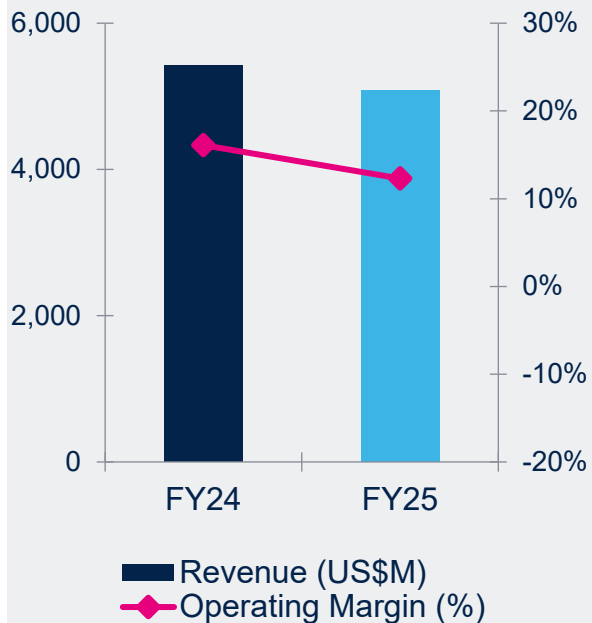


\*Non-U.S. GAAP measure. See Appendix for additional information explaining why the Company believes these measures are important.

# FY 2025 Reportable segments results

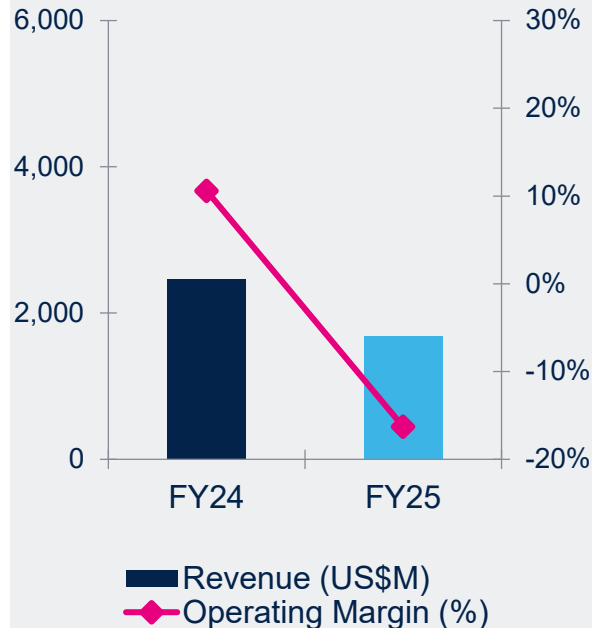
## Analog products, MEMS and Sensors (AM&S)

Revenues = \$5,085M  
Operating Margin = 12.3%



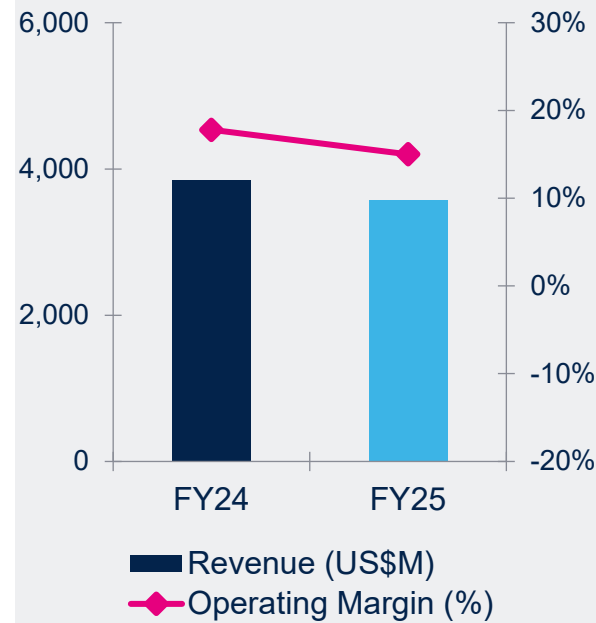
## Power and discrete products (P&D)

Revenues = \$1,685M  
Operating Margin = -16.3%



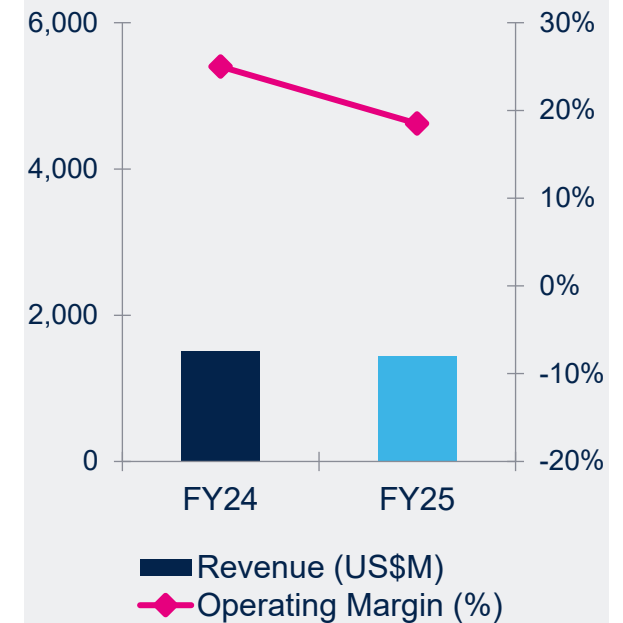
## Embedded Processing (EMP)

Revenues = \$3,580M  
Operating Margin = 15.0%



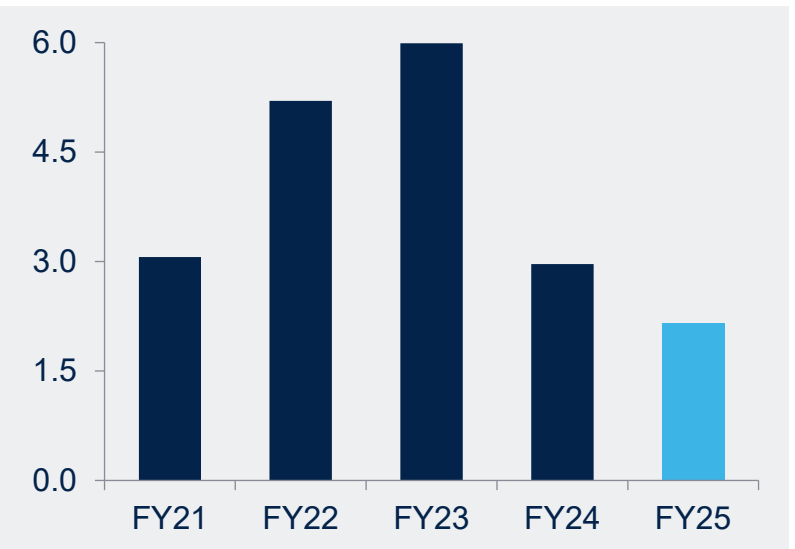
## RF & Optical Communications (RF&OC)

Revenues = \$1,437M  
Operating Margin = 18.5%

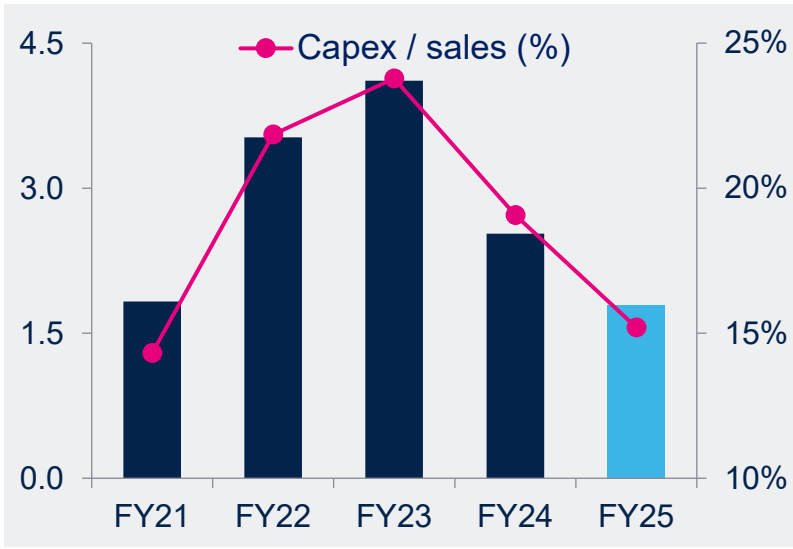


# FY 2025 Financial flexibility

## Net Cash From Operating Activities = \$2.15B



## Net Capex\* = \$1.79B



## Free Cash Flow\* = \$265M



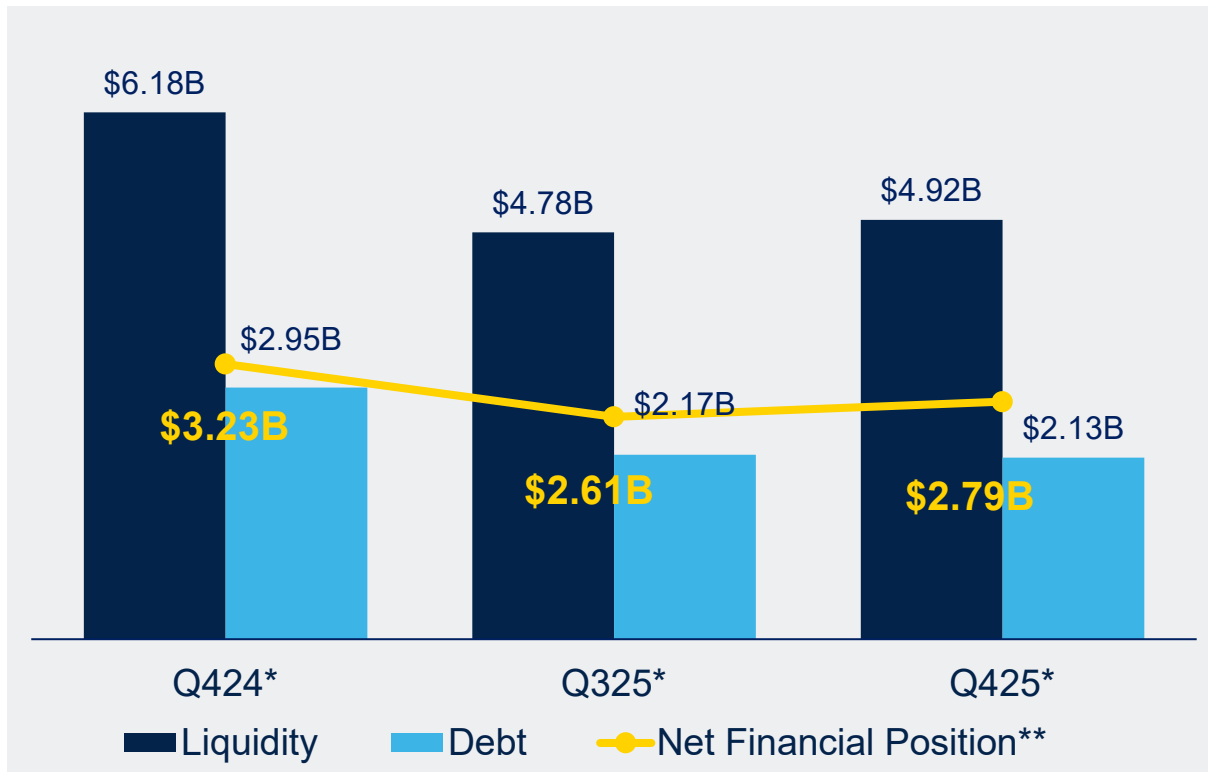
Cash dividends paid to stockholders totaled \$321M in FY25.

In FY25 we repurchased shares totaling \$367M.



\*Non-U.S. GAAP measure. See Appendix for additional information explaining why the Company believes these measures are important.

# Solid capital structure



ST is in a very solid position from a capital, liquidity and balance sheet perspective.

ST credit rating is BBB+ with Negative Outlook from S&P and Baa1 with Stable Outlook from Moody's.



\***Adjusted net financial position**, taking into consideration the effect on total liquidity of advances from capital grants for which capital expenditures have not been incurred yet, stood at \$2.85B as of Dec 31, 2024, \$2.27B as of Sep 27, 2025, and \$2.46B as of Dec 31, 2025

\*\***Non-U.S. GAAP measure**. See Appendix for additional information explaining why the Company believes these measures are important.

# Q1 2026 Outlook

## Net Revenues

Q126 outlook, at the mid-point, is for net revenues of **\$3.04B**, decreasing Q/Q by 8.7%, plus or minus 350 bps.

## Gross Margin

Gross margin is expected to be about 33.7%, +/- 200 bps, incl. about 220 bps of unused capacity charges.



*Q126 will close on March 28, 2026.*

*This outlook is based on an assumed effective currency exchange rate of approximately \$1.16= €1.00 for Q126 and includes the impact of existing hedging contracts.*

*This business outlook does not include any impact for potential further changes to global trade tariffs compared to current situation.*

## Net Capex\*

We plan to invest about \$2.0 to \$2.2B in Net Capex\*



\*Non-U.S. GAAP measure. See Appendix for additional information explaining why the Company believes these measures are important.

# Company-specific growth drivers



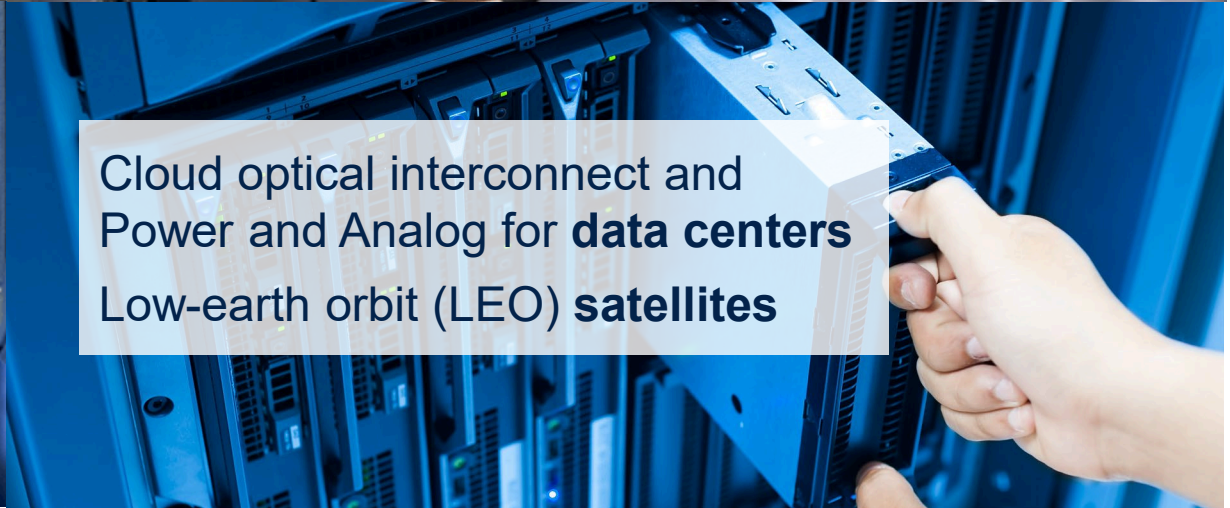
**ADAS** engaged customer programs  
**Silicon Carbide** power devices  
MEMS & Imaging **sensors**



Engaged customer programs in  
**sensors & analog**



General purpose **microcontrollers**  
**Humanoid robots**



Cloud optical interconnect and  
Power and Analog for **data centers**  
Low-earth orbit (LEO) **satellites**

# Appendix

# Historical financial performance

<i>Effective Exchange Rate €/\$</i>	1.09	1.08	1.08	1.09	1.08	1.06	1.09	1.14	1.14	1.11
<b>U.S. GAAP</b> <i>US\$M, except EPS</i>	<b>Q124</b>	<b>Q224</b>	<b>Q324</b>	<b>Q424</b>	<b>FY24</b>	<b>Q125</b>	<b>Q225</b>	<b>Q325</b>	<b>Q425</b>	<b>FY25</b>
Net Revenues	3,465	3,232	3,251	3,321	13,269	2,517	2,766	3,187	3,329	11,800
Gross Margin	41.7%	40.1%	37.8%	37.7%	39.3%	33.4%	33.5%	33.2%	35.2%	33.9%
Operating Income	551	375	381	369	1,676	3	(133)	180	125	175
Operating Margin	15.9%	11.6%	11.7%	11.1%	12.6%	0.1%	-4.8%	5.6%	3.8%	1.5%
Net Income	513	353	351	341	1,557	56	(97)	237	(30)	166
EPS Diluted (\$/share)	0.54	0.38	0.37	0.37	1.66	0.06	(0.11)	0.26	(0.03)	0.18
<b>Non-U.S. GAAP*</b> <i>US\$M, except EPS</i>	<b>Q124</b>	<b>Q224</b>	<b>Q324</b>	<b>Q424</b>	<b>FY24</b>	<b>Q125</b>	<b>Q225</b>	<b>Q325</b>	<b>Q425</b>	<b>FY25</b>
Operating Income	551	375	381	369	1,676	11	57	217	266	551
Operating Margin	15.9%	11.6%	11.7%	11.1%	12.6%	0.4%	2.1%	6.8%	8.0%	4.7%
Net Income	513	353	351	341	1,557	63	57	267	100	486
EPS Diluted (\$/share)	0.54	0.38	0.37	0.37	1.66	0.07	0.06	0.29	0.11	0.53
Free Cash Flow	(134)	159	136	128	288	30	(152)	130	257	265
Net Financial Position	3,126**	3,199**	3,181**	3,231**	3,231**	3,082**	2,672**	2,610**	2,789**	2,789**

\***Non-U.S. GAAP measure.** See Appendix for additional information explaining why the Company believes these measures are important.

\*\***Adjusted net financial position,** taking into consideration the effect on total liquidity of advances from capital grants for which capital expenditures have not been incurred yet, stood at \$2,775M as of March 30, 2024, at \$2,797M as of June 29, 2024, at \$2,815M as of September 28, 2024, at \$2,846M as of December 31, 2024, \$2,705M as of March 29, 2025, \$2,311M as of June 28, 2025, \$2,265 as of September 27, 2025 and \$2,456 as of December 31, 2025.



# Historical Revenues and Operating Margin by Product Groups and Reportable Segments

US\$M	Q124	Q224	Q324	Q424	FY24	Q125	Q225	Q325	Q425	FY25
<b>Analog products, MEMS and Sensors (AM&amp;S)</b>										
Revenue	1,406	1,336	1,340	1,348	5,429	1,069	1,133	1,434	1,449	5,085
Operating Margin	17.5%	14.5%	16.1%	16.3%	16.1%	7.7%	7.5%	15.4%	16.2%	12.3%
<b>Power and discrete products (P&amp;D)</b>										
Revenue	631	576	652	602	2,461	397	447	429	412	1,685
Operating Margin	12.1%	10.6%	12.2%	7.5%	10.6%	-6.9%	-12.5%	-15.6%	-30.2%	-16.3%
<b>Analog, Power &amp; Discrete, MEMS and Sensors (APMS)</b>										
Revenue	2,037	1,912	1,992	1,950	7,890	1,466	1,580	1,863	1,861	6,770
Operating Margin	15.8%	13.3%	14.9%	13.6%	14.4%	3.7%	1.9%	8.3%	5.9%	5.1%
<b>Embedded Processing (EMP)</b>										
Revenue	1,047	906	898	1,002	3,853	742	847	976	1,015	3,580
Operating Margin	22.2%	13.8%	16.4%	18.1%	17.8%	8.9%	13.5%	16.5%	19.2%	15.0%
<b>RF &amp; Optical Communications (RF&amp;OC)</b>										
Revenue	378	410	357	366	1,511	306	336	345	449	1,436
Operating Margin	27.4%	23.4%	23.4%	25.9%	25.0%	13.9%	17.9%	16.6%	23.4%	18.5%
<b>Microcontrollers, Digital ICs and RF products (MDRF)</b>										
Revenue	1,425	1,316	1,255	1,368	5,364	1,048	1,183	1,321	1,464	5,016
Operating Margin	23.6%	16.8%	18.3%	20.2%	19.8%	10.4%	14.8%	16.5%	20.5%	16.0%

# Appendix

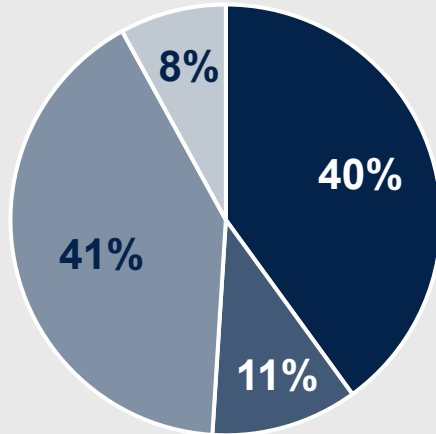
- **Net financial position and Adjusted Net Financial Position (non-U.S. GAAP measure)**: represents the difference between our total liquidity and our total financial debt. Our total liquidity includes cash and cash equivalents, restricted cash, if any, short-term deposits, and marketable securities, and our total financial debt includes short-term debt and long-term debt, as reported in our Consolidated Balance Sheets. ST also presents adjusted net financial position as a non-U.S. GAAP measure, to take into consideration the effect on total liquidity of advances received on capital grants for which capital expenditures have not been incurred yet. ST believes its Net Financial Position and Adjusted Net Financial Position provide useful information for investors and management because they give evidence of our global position either in terms of net indebtedness or net cash by measuring our capital resources based on cash and cash equivalents, restricted cash, if any, short-term deposits and marketable securities and the total level of our financial debt. Our definitions of Net Financial Position and Adjusted Net Financial Position may differ from definitions used by other companies, and therefore, comparability may be limited.
- **Net Capex and Free Cash Flow (non-U.S. GAAP measure)**: ST presents Net Capex as a non-U.S. GAAP measure, which is reported as part of our Free Cash Flow (non-U.S. GAAP measure), to take into consideration the effect of advances from capital grants received on prior periods allocated to property, plant and equipment in the reporting period. Net Capex, a non-U.S. GAAP measure, is defined as (i) Payment for purchase of tangible assets, as reported plus (ii) Proceeds from sale of tangible assets, as reported plus (iii) Proceeds from capital grants and other contributions, as reported plus (iv) Advances from capital grants allocated to property, plant and equipment in the reporting period. ST believes Net Capex provides useful information for investors and management because annual capital expenditures budget includes the effect of capital grants. Our definition of Net Capex may differ from definitions used by other companies. Free Cash Flow, which is a non-U.S. GAAP measure, is defined as (i) net cash from operating activities plus (ii) Net Capex plus (iii) payment for purchase (and proceeds from sale) of intangible and financial assets and (iv) net cash paid for business acquisitions, if any. ST believes Free Cash Flow provides useful information for investors and management because it measures our capacity to generate cash from our operating and investing activities to sustain our operations. Free Cash Flow reconciles with the total cash flow and the net cash increase (decrease) by including the payment for purchases of (and proceeds from matured) marketable securities and net investment in (and proceeds from) short-term deposits, the net cash from (used in) financing activities and the effect of changes in exchange rates, and by excluding the advances from capital grants received on prior periods allocated to property, plant and equipment in the reporting period. Our definition of Free Cash Flow may differ from definitions used by other companies.
- **Net revenues of Others**: include revenues from sales assembly services and other revenues. Operating income (loss) of Others include items such as unused capacity charges, including incidents leading to power outage, impairment, restructuring charges and other related phase-out costs, management reorganization costs, start-up costs, and other unallocated income (expenses) such as: strategic or special research and development programs, certain corporate-level operating expenses, patent claims and litigations, and other costs that are not allocated to reportable segments, as well as operating earnings of other products. Others includes:

US\$M	Q124	Q224	Q324	Q424	FY24	Q125	Q225	Q325	Q425	FY25
Unused Capacity Charges	63	84	104	118	370	123	103	102	88	416
Impairment, restructuring charges and other related phase-out costs	-	-	-	-	-	8	190	37	141	376

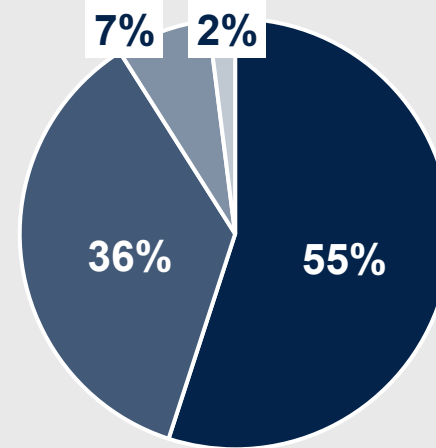


# FY 2025 Reportable segment revenues by end market

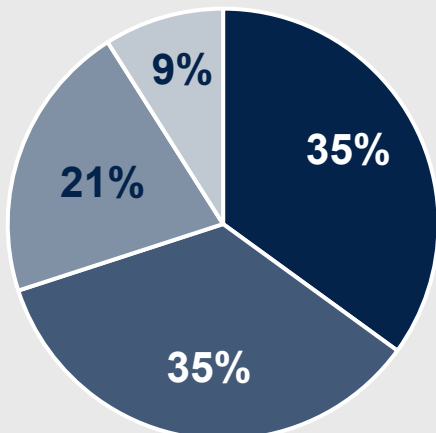
Analog products, MEMS and Sensors (AM&S)



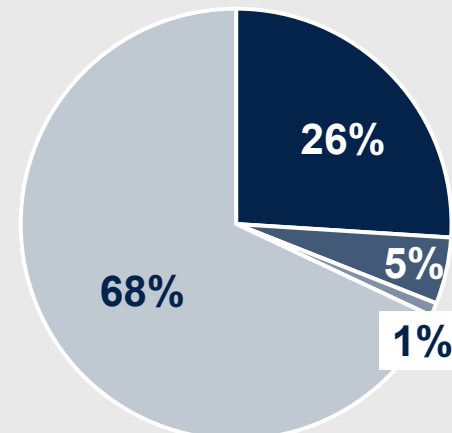
Power and discrete products (P&D)



Embedded Processing (EMP)



RF & Optical Communications (RF&OC)



- Automotive
- Industrial
- Personal electronics
- Communications equipment & computer peripherals

# Our technology starts with You

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