



THIRD QUARTER REPORT 2011





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SAFE HARBOR

This presentation contains forward-looking statements that involve inherent risks and uncertainties. We have identified certain important factors that may cause actual results to differ materially from those contained in such forward-looking statements.

For a detailed description of risk factors see STMicroelectronics' (NYSE:STM) and Ericsson's (NASDAQ:ERIC) filings with the US Securities and Exchange Commission, particularly each company's latest published Annual Report on Form 20-F.





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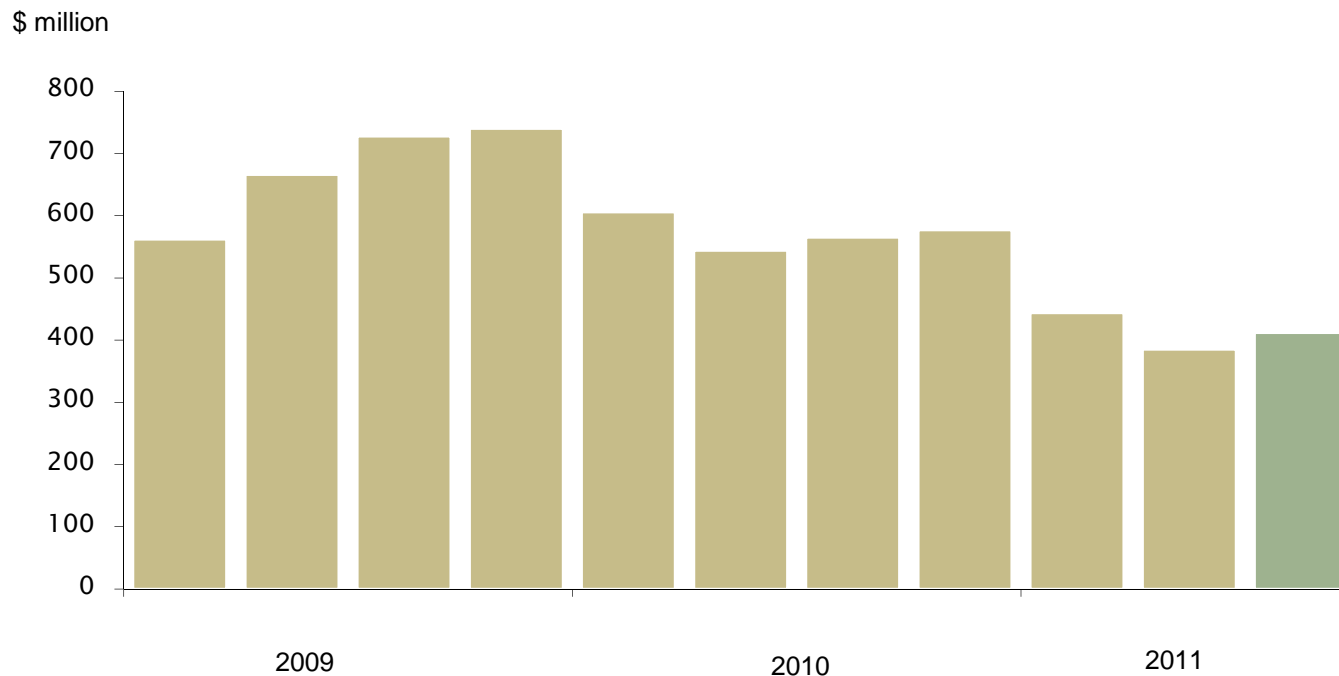
Gilles Delfassy, President and CEO



Q3 overview



- Net sales \$412 million slightly ahead of expectations, even when excluding IP licensing to a third party
- Operating loss \$194 million
- New products grew to about 55% of total sales



QoQ: +7%



More and more devices in the market

- HTC Sensation smartphone launched in China
 - Nova™ A9500 application processor + Thor™ M6718 modem
 - Clear differentiator for our customers
- Several new smartphones based on our Thor modem technology
 - Panasonic smartphones
 - Motorola's award-winning Atrix™ 2 phone
- Building/expanding our ecosystem
 - Announced our NovaThor™ Technology Center, Silicon Valley
 - Extended partnership in augmented reality with metaio



NovaThor™
BY ST-ERICSSON



THOR™
BY ST-ERICSSON



Outlook

- Q4 net sales expected to be slightly up sequentially
 - Increased revenue from new products
 - Legacy product sales continue to decline



Summary

- First smartphones with our NovaThor platforms in the market
- New important customers
- Real competitive advantage for our customers



NovaTHOR™
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Q&A

