



FOURTH QUARTER REPORT 2010





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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

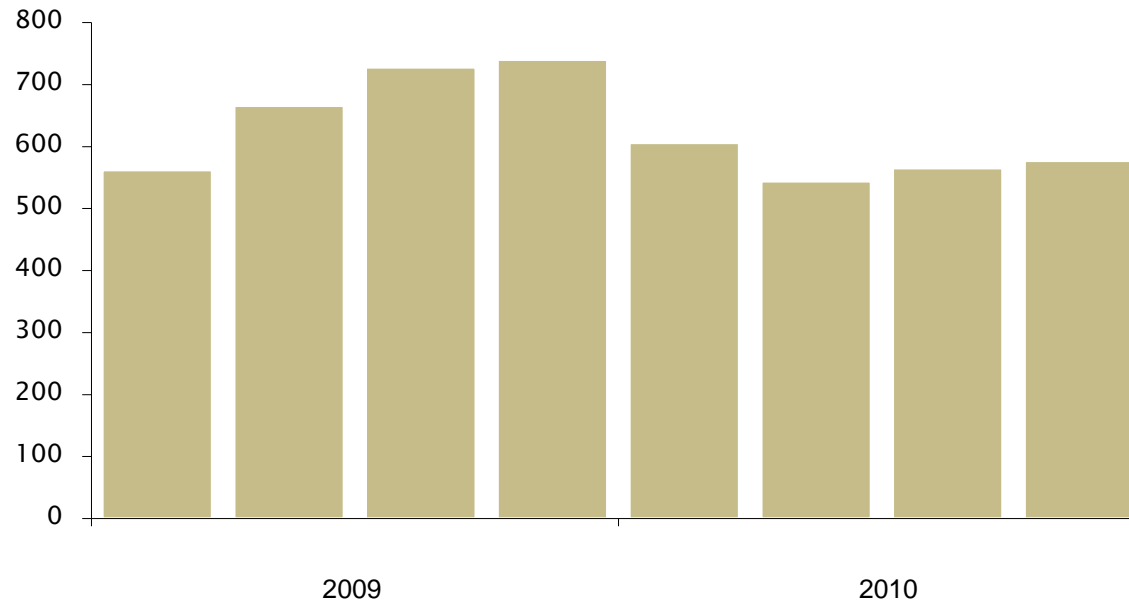


NET SALES



- Net sales \$577 million; 2% sequential increase
 - Good traction on new 2G/EDGE platforms
 - HSPA+ started to ship
 - Ongoing legacy product decline
 - Weakness in TD-SCDMA

\$ million



QoQ: +2%



ADDITIONAL Q4 FINANCIAL INFORMATION



- Adjusted operating loss of \$119 million, reflecting
 - Seasonality
 - Currency effects
 - Price erosion

- Restructuring plans completed
 - As planned and on time
 - \$13 million savings in the quarter

- Net financial position of -\$82 million



Q1 SALES OUTLOOK



- Net sales to decrease sequentially, due to
 - Ongoing decline of legacy products
 - Typical Q4-Q1 seasonality
 - Fewer days in the quarter



SETTING THE STAGE FOR LEADERSHIP IN SMARTPHONES AND TABLETS



- U8500 platform gaining traction
- HSPA+ 21 mbps
- LTE



2011 FOCUS



- Deliver exciting new products to customers
- Build on our foundation to create new business opportunities
- Improve our financial performance



MEET US AT MOBILE WORLD CONGRESS



- Media & Analyst briefing on February 15
- ST-Ericsson presence – cool demos!

Find out more at :

www.stericsson.com//events/MWC_2011.jsp



Q&A

