



SECOND QUARTER REPORT 2011





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Carol Streitberger Brighton
Senior Vice President, Global Communications





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.





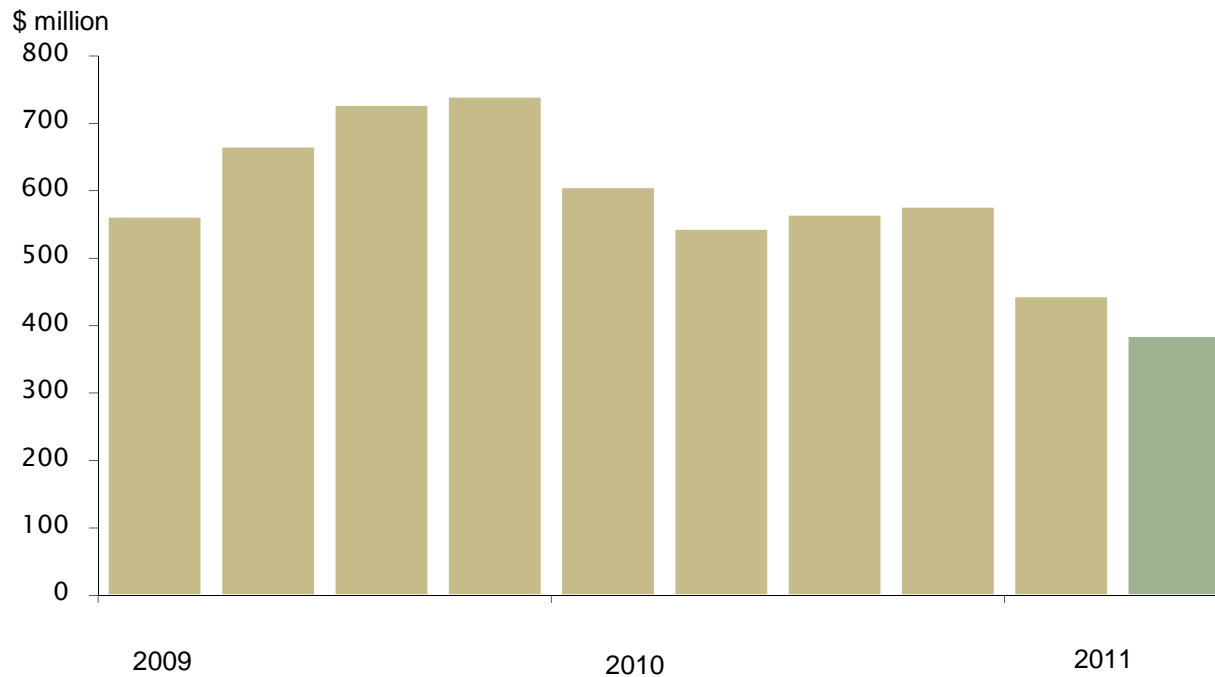
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Gilles Delfassy, President and CEO



Q2 overview

- Net sales \$385 million, in line with our expectations
- Operating loss \$181 million
- New products grew to about 45% of total sales
- Executing cost savings plan announced in June



QoQ: -13%



Further significant inroads on products



- First samples of Thor M7400 delivered
 - Multimode solution with industry-leading power consumption
 - Great design-win traction at several top-tier customers
- Several new top-tier customers on Thor M57xx family
- Field trials on NovaThor U8500 with several customers
 - Plus two additional customer wins
- Strong customer interest in NovaThor U4500 for low end smartphones

THOR™
BY ST-ERICSSON

NovaTHOR™
BY ST-ERICSSON



Outlook



- Q3 net sales expected to be about flat sequentially
 - Increased revenue from new products
 - Offset by lower R&D services and legacy product sales
- On track to have large majority of revenue from new products by end of year



Our aim

- Leadership in smartphones and tablets
- Drive innovation in mobile broadband
- Enable coolest, richest, affordable devices



NOVATHOR™
BY ST-ERICSSON

THOR™
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NOVA™
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Q&A

