

Digital Convergence Group

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Focus on Digital Consumer and ASIC



Leveraging specific skills (Low Power, Open Source SW, Application Processor) from ST-Ericsson

#2 WW position in Set Top Box Market

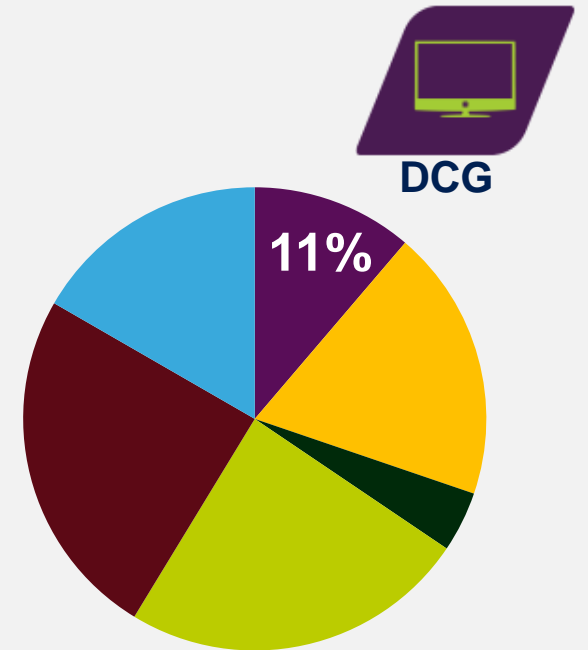
- > 15 years of Market Leadership
- > 1B Mpeg Decoder cumulative shipments
- On the leading edge towards next transitions
 - Connected boxes (hybrid, client /server, Docsis)
 - Ultra HD TV, supported by HEVC & VP9
 - Pervasion of ARM cores & Open Source SW



Long Standing presence in ASIC Market

Traditional play in Networking through specific IPs (SerDes) and design methodology for big dies (>400 sqmm in 28nm)
Now boosting the biz by leveraging FD-SOI and expanding into the consumer space

Contribution to ST revenues 1Q14

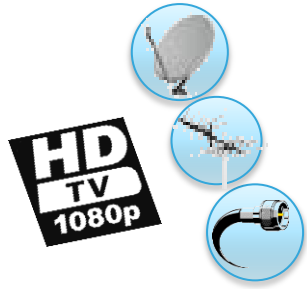


Strong Value Proposition for Set Top Box

HOME GATEWAY
Network Access
DOCSIS
Telephony
Routing

CLIENT & SERVER
Content Anywhere
High Multimedia
Performance
Ultra HD

BROADCAST STB
Cost-Effective
Multimarket
Solutions



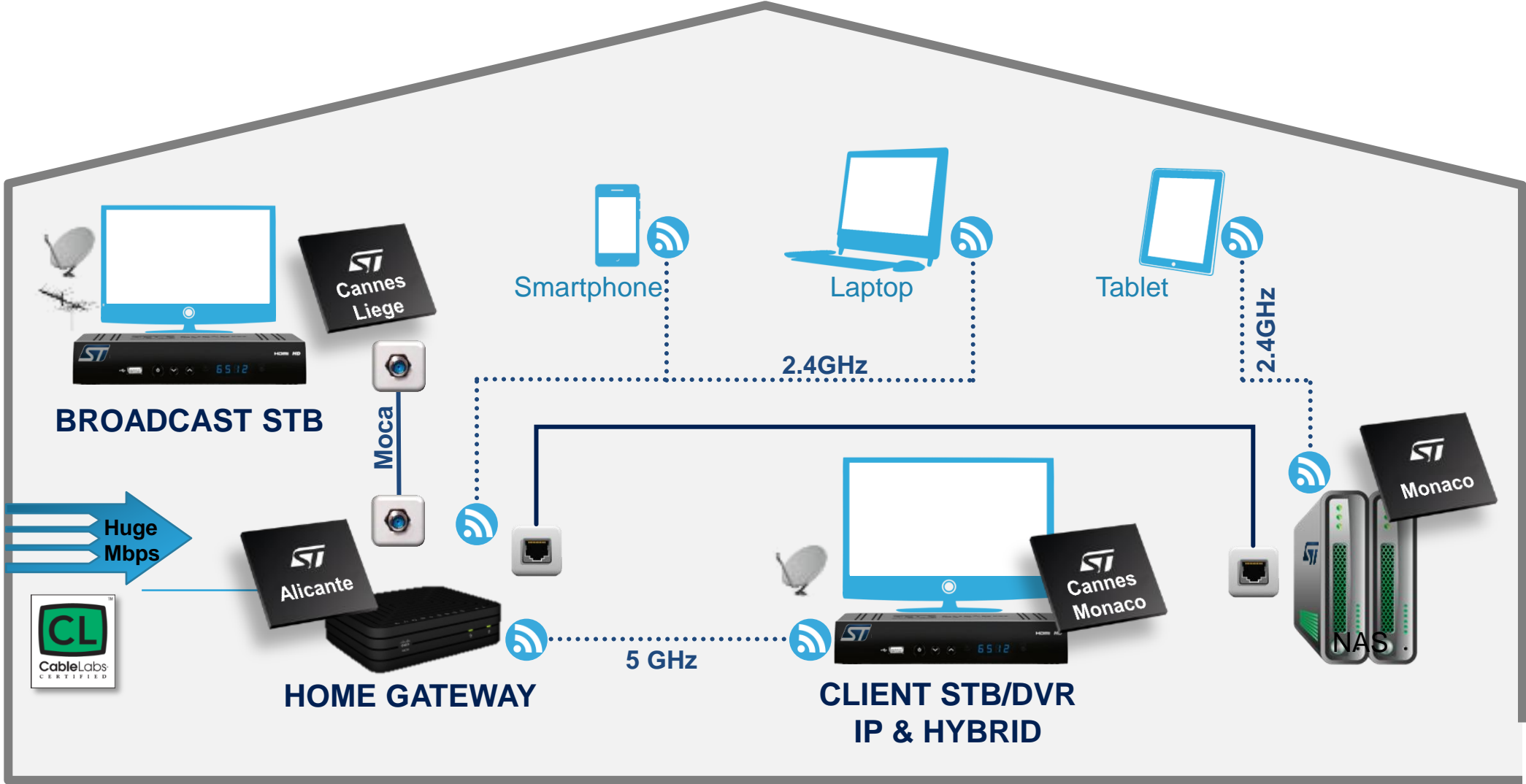
Complete and cost optimized HW/SW Portfolio

Ad Hoc devices for specific use cases

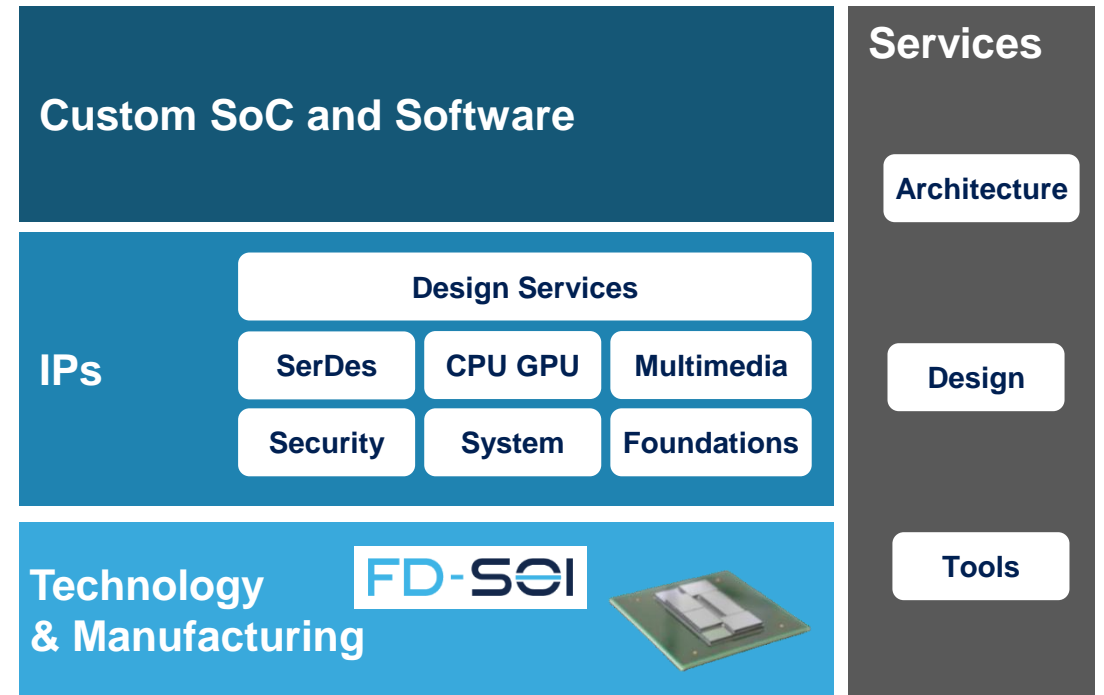
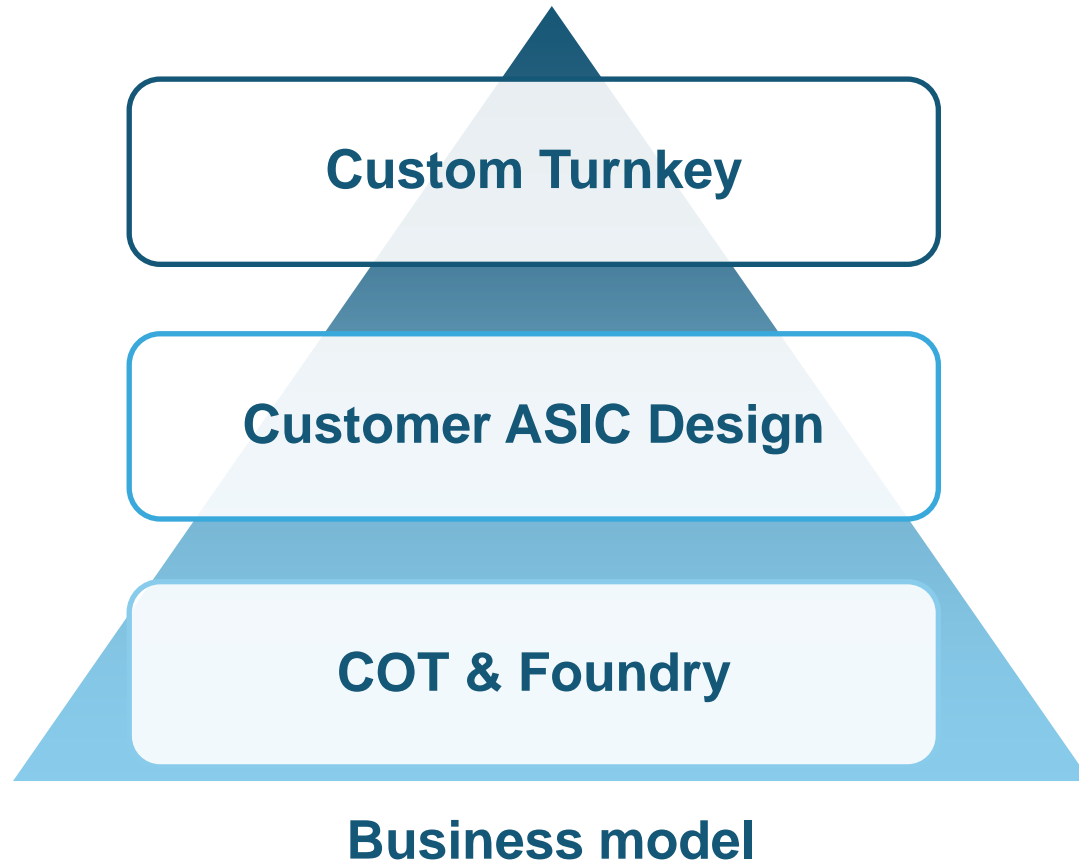
HW/SW compatibility within each product family

Smooth transition to ARM cores & ecosystem

Full Solution for the Digital Home



Strong Value Proposition for ASIC



Complete & Flexible Offering to match technical and business requirements

Towards Tomorrow's Digital Home

STi8K™ Architecture

ARM® v8 Cortex™-A53/A57 64-bit cores
 FD-SOI 28nm process for the best power-to-performance ratio

CLIENT & SERVER



- Compute GPU for HW-accelerated OpenCL1.x, OpenGL-ES 3.0, Renderscript, up to 5GpixS 3D, advanced transcoding, 4K/8K TV
- Modular & Scalable Solutions, from streaming Dongle to Home Server



The Ultimate Home Multi-Media Experience

HOME GATEWAY



- DOCSIS 3.1 for uncompromised up & downstream bandwidth
- Wire speed routing capabilities
- Carrier Grade Telephony



The Ultimate Home Gateway Solution

ASIC

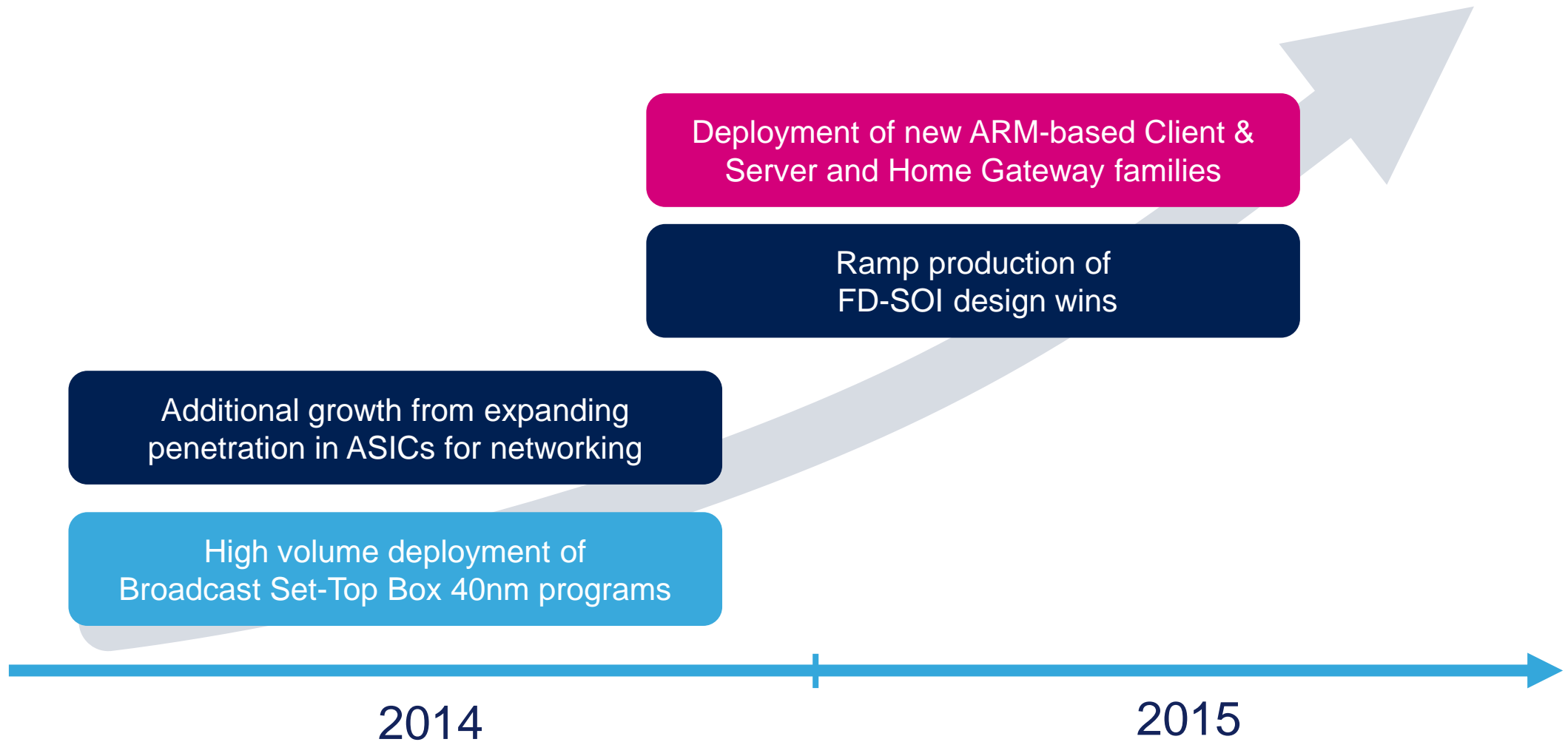


- Leverage fully scalable HW/SW platform for turn key offer in the consumer space
- Leverage ARM® v8 Cortex™ in the networking market



The Comprehensive Value Proposition in ASIC

Doubling DCG Revenues by 4Q15



Doubling DCG Revenues by 4Q15 ASICs – Our achievements

2013 and 1Q14 achievements

- 17 active designs in **FD-SOI** (including STi8K for Set -Top Box)
 - Multiple Design wins in ASIC for networking and consumer in 2013 and 1Q14
 - FD-SOI momentum continues, strong pipeline of new opportunities, expecting first 14nm win in 2H 2014
- 5 new ASIC in 28nm (bulk) and 32nm ramping production in 2H14

Additional growth from expanding penetration in ASICs for networking

- 8 new **ASICs in 28nm FD-SOI** anticipated to ramp volumes during 2015
 - Material revenues of new FD-SOI ASIC from 2H 2015
 - Leveraging both internal fab and foundry for FD-SOI volumes ramp up
- Expecting strong flow of active designs in 2015 leveraging STi8K and SerDes
 - 28G/sec Serdes demonstrated in 3Q13

Ramp production of FD-SOI design wins

2014

2015

Doubling DCG Revenues by 4Q15

STB & Gateway – Our achievements

2013 and 1Q14 achievements

- **Liege** family products ramping volumes
 - largely adopted by operators, including satellite, cable and digital terrestrial
 - Material backlog in place as of now
 - Revenues already visible in 1Q14, material from 2Q onwards
- **Liege2** family launched at CCBN 2014, for early introduction of HEVC into the volume broadcast market
 - 28nm, leveraging Cannes architecture

High volume deployment of Broadcast Set-Top Box 40nm programs

- **DOCSIS 3.0** certification for the **Alicante** product family achieved in 3Q13
- **Cannes** and **Monaco** product families successfully launched at IBC 2013, with immediate good traction
 - Multiple design wins and healthy pipeline of opportunities, including US cable and European satellite and telco markets.
- 3 design wins will materialize production already from 4Q14

Deployment of new ARM-based Client & Server and Home Gateway families

2014

2015



- DCG business and operation completely refocused around **Digital Consumer and ASICs**, now one of the five growth drivers of ST

- New traction coming from **FD-SOI ASICs** and **ARM-based families** in Set-Top Box (Cannes, Monaco, Alicante)



- Setting the stage for future **leadership with the STi8K architecture**, leveraging FD-SOI and ARM[®] v8 Cortex[™]-A53/A57 across the board

- Revenue bottom in 1Q14, growth from 2Q and following quarters, target to **double revenues by 4Q15**

