



STMicroelectronics

Deutsche Bank Technology Conference

September, 2012

Forward Looking Statements

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 in such statements due to, among other factors:

- the possible impact of an impairment charge on the carrying value of the ST-Ericsson investment in our books of approximately \$1.6 billion, as well as on our consolidated results, which is dependent on the successful execution of ST-Ericsson's new strategic direction plan and its related savings announced on April 23rd 2012;*
- changes in demand in the key application markets and/or from key customers served by our products, including demand for products where we have achieved design wins and/or demand for applications where we are targeting growth, all of which make it extremely difficult to accurately forecast and plan our future business activities;*
- our ability in periods of reduced market demand or visibility to reduce our expenses as required, as well as our ability to operate our manufacturing facilities at sufficient levels with existing process technologies to cover our fixed operating costs;*
- our ability, in an intensively competitive environment, to identify and allocate necessary design resources to successfully develop and secure customer acceptance for new products meeting their expectations as well as our ability to achieve our pricing expectations for high-volume supplies of new products in whose development we have been, or are currently, investing;*
- the financial impact of obsolete or excess inventories if actual demand differs from our expectations as well as the ability of our customers to successfully compete in the markets they serve using our products;*
- our ability to maintain or improve our competitiveness especially in light of the increasing volatility in the foreign exchange markets and, more particularly, in the U.S. dollar exchange rate as compared to the Euro and the other major currencies we use for our operations;*
- the impact of intellectual property ("IP") claims by our competitors or other third parties, and our ability to obtain required licenses on reasonable terms and conditions;*
- the outcome of ongoing litigation as well as any new litigation to which we may become a defendant;*
- changes in our overall tax position as a result of changes in tax laws, the outcome of tax audits or changes in international tax treaties which may impact are results of operations as well as our ability to accurately estimate tax credits, benefits, deductions and provisions and to realize deferred tax assets;*
- product warranty or liability claims based on epidemic or delivery failures or recalls by our customers for a product containing one of our parts;*
- availability and costs of raw materials, utilities, third-party manufacturing services, or other supplies required by our operations; and*
- current macro-economic and industry uncertainties, the Eurozone crisis and other global factors which may result in limited growth or recession in one or more important regions of the world economy, sovereign default, changes in the political, social, economic or infrastructure environment, including as a result of military conflict, social unrest and/or terrorist activities, as well as natural events such as severe weather, health risks, epidemics, earthquakes, tsunamis, volcano eruptions or other acts of nature in, or affecting, the countries in which we, our key customers or our suppliers, operate all of which may in turn also cause unplanned disruptions in our supply chain and reduced or delayed demand from our customers.*

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, 2011, as filed with the SEC on March 5, 2012. 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 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.

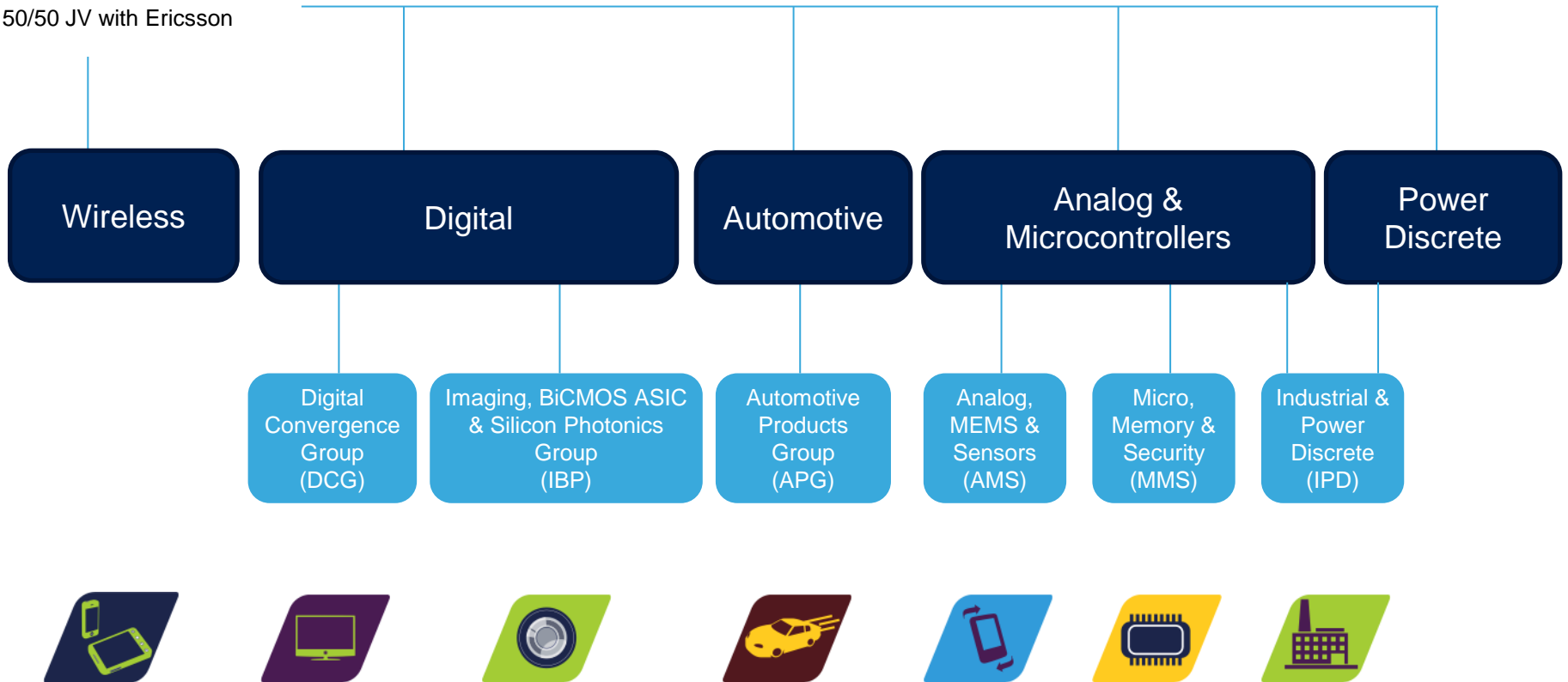


- A global semiconductor leader
- The largest European semiconductor company
- 2011 revenues of **\$9.73B**⁽¹⁾
- Approx. **50,000** employees worldwide⁽¹⁾
- **12,000** people working in R&D
- **12** manufacturing sites
- Listed on New York Stock Exchange, Euronext Paris and Borsa Italiana, Milano

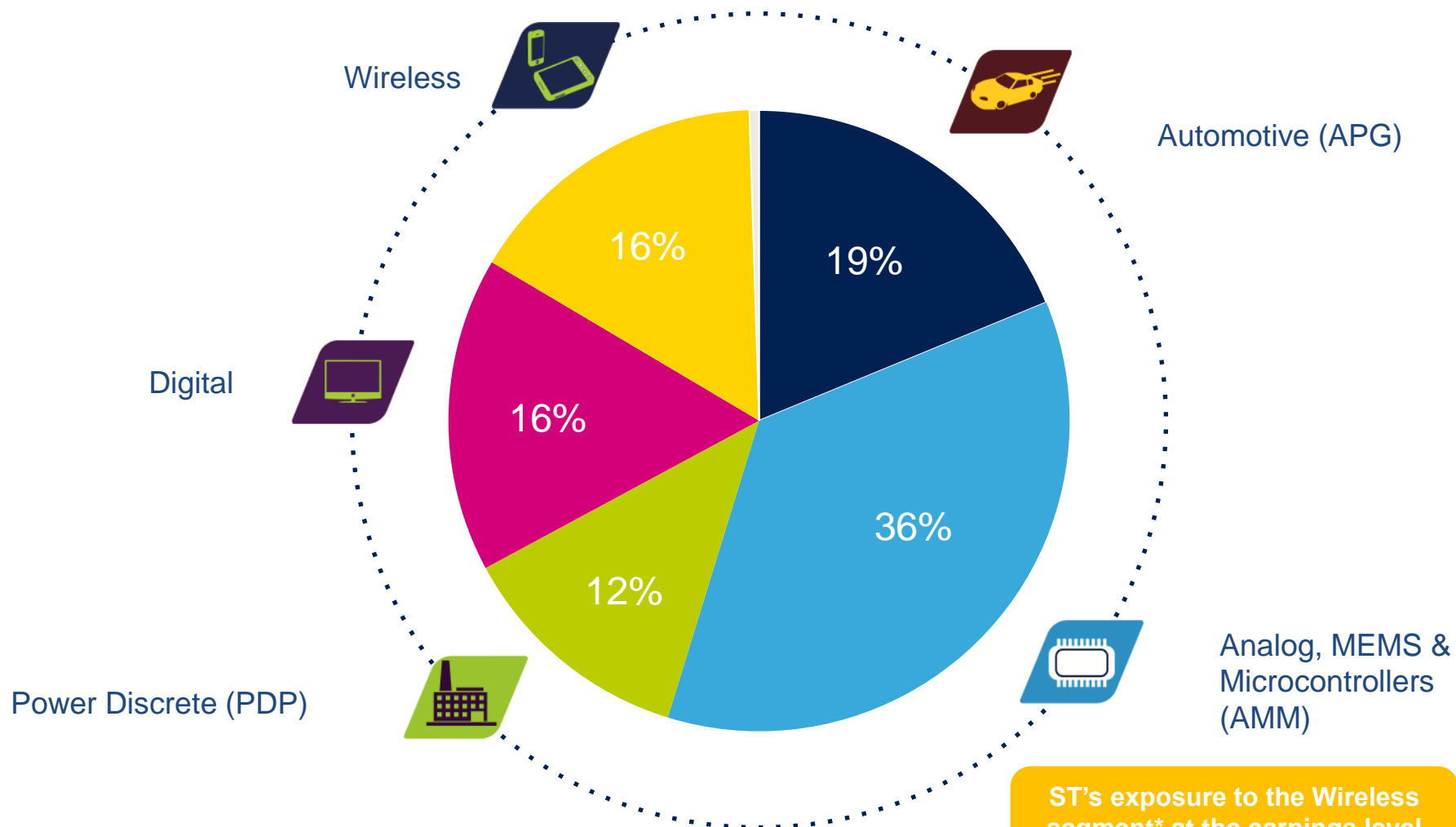
Focused Product Segments



50/50 JV with Ericsson



Q212 Revenues by Product Segments



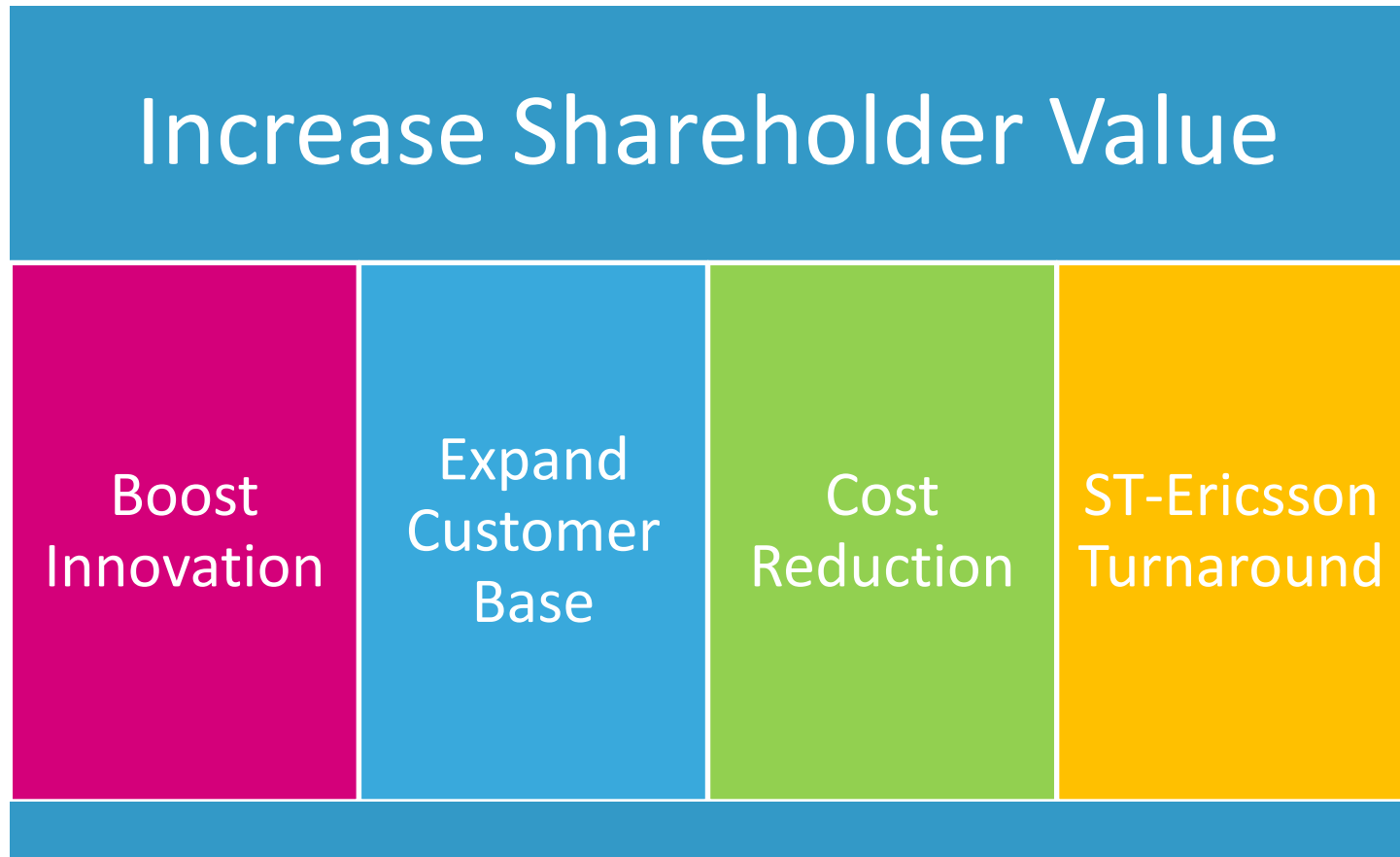
ST's exposure to the Wireless segment* at the earnings level is approximately 9%

Financial Performance

In US\$M, except EPS

	Q211	Q112	Q212
Net Revenues	2,567	2,017	2,148
Gross Margin	38.1%	29.6%	34.3%
Operating Income (Loss) before impairment, restructuring & one-time items*	114	(280)	(151)
Operating Margin before impairment, restructuring & one-time items attributable to ST*	9.1%	(6.5%)	(1.3%)
Net Income – Reported	420	(176)	(75)
EPS Diluted	0.46	(0.20)	(0.08)
Adjusted EPS Diluted*	0.14	(0.14)	(0.05)
Free Cash Flow*	(250)	98	(129)
Net Financial Position, adjusted for 50% investment in ST-Ericsson*	1,293	1,267	1,153
Effective Exchange Rate €/€	1.37	1.33	1.32

Key Programs to Increase Value



Q&A

