



**DRAFT**

**Minutes of the Annual General Meeting of Shareholders of STMicroelectronics  
N.V., held on May 25, 2010 at 11:00 a.m. at the Sofitel The Grand Hotel in  
Amsterdam, the Netherlands**

**1 Opening**

Mr. Antonino Turicchi, Chairman of the Supervisory Board and Chairman of the meeting, opened the Annual General Meeting of Shareholders of STMicroelectronics N.V. (the "Company"). He extended a welcome to all shareholders and other persons who were entitled to attend the meeting who were present. He also welcomed his fellow members of the Supervisory Board, Mr. Gérald Arbola, Mr. Bruno Steve, Mr. Tom de Waard, Mr. Didier Lamouche, Mr. Doug Dunn and Mr. Raymond Bingham, and furthermore Mr. Carlo Bozotti, the Chief Executive Officer and sole member of the Managing Board, Mr. Alain Dutheil, the Chief Operating Officer, and Mr. Carlo Ferro, the Chief Financial Officer, and the following guests:

- (a) Ms. Sandra Lombert of Netherlands Management Company B.V., who acts as the Company's registrar in the Netherlands;
- (b) Mr. Remco Bosveld of De Brauw Blackstone Westbroek N.V., the Company's external Dutch legal counsel; and
- (c) Mr. Paul Baart of PricewaterhouseCoopers Accountants N.V., the Company's independent external auditor.

The Chairman noted that Mr. Alessandro Ovi, member of the Supervisory Board, would join the meeting somewhat later and furthermore that Dr. Didier Lombard, member of the Supervisory Board, was unfortunately unable to attend the meeting and asked to be excused.

The Chairman stated for the record that the official language of the meeting was the English language.

The Chairman appointed Mr. Bosveld as the secretary of this meeting.

The Chairman informed the meeting that for the purpose of preparing the minutes of this meeting, the meeting was recorded. Furthermore, he kindly requested the persons present at the meeting to use the microphone available in case someone would like to ask a question and to state his/her name and, if applicable, the shareholder he/she represented.

In connection with the orderly conduct of this meeting, the Chairman informed the persons present at the meeting that during an agenda item only questions related to the specific agenda item could be asked.

The Chairman noted that the meeting was convened with due observance of all legal and statutory provisions as well as the provisions included in the Company's articles of association. He continued that the notice to attend the meeting was published in NRC Handelsblad in the Netherlands, in Les Echos in France and in Il Sole 24 Ore in Italy on April 20, 2010.

The shareholders registered in the Company's shareholders' register have been called by letters to their address as stated in the Company's shareholders' register.

The Chairman recorded that, for the purpose of the meeting, the Managing Board set a record date. Shareholders and other persons entitled to attend the Company's general meetings of shareholders who were registered as such on Wednesday, April 28, 2010 at the close of business were authorized to participate in and vote at this meeting without the obligation to have their shares blocked until the close of the meeting. Registration for the meeting was possible until May 19, 2010.

The Chairman stated that on the record date, the total issued share capital of the Company amounted to EUR 946,732,077.20, divided into 910,319,305 common shares of EUR 1.04 each of which 30,772,375 were repurchased by the Company. He continued that each share entitled the holder thereof to cast one vote save for repurchased shares which do not entitle the Company to vote on those shares. The Chairman concluded that at the record date the number of voting rights amounted to 878,391,838.

The Chairman noted that the agenda, copies of the statutory annual accounts, which include the reports of the Managing and Supervisory Boards, the proposed resolutions, including shareholders' information and the personal data of Mr. Bingham and Mr. Ovi, proposed members of the Supervisory Board, as referred to in section 2:142 subsection 3 of the Dutch Civil Code, and the other information included pursuant to law was deposited for shareholders and other persons entitled to attend the meeting at the Company's offices at Schiphol Airport in the Netherlands as of April 20, 2010. The documents were also available on the Company's website [www.st.com](http://www.st.com).

The Chairman recorded that according to the attendance list 414,153,962 shares were represented at this meeting. He was pleased to establish that 47.08% of the issued share capital was represented at the meeting so that, as a consequence, decisions could validly be taken. The Chairman informed the

persons present at the meeting that according to the Company's records no usufructuaries or pledgees were registered who were entitled to vote on the Company's shares. He furthermore recorded that no depositary receipts of shares were issued with the Company's co-operation.

## **2 Report of our Managing Board on the 2009 financial year and discussion thereof**

The Chairman moved on to the second item on the agenda, being the report of the Managing Board on the 2009 financial year. The Chairman stated that the report of the Managing Board was prepared in accordance with the Company's articles of association. The report was included in its entirety in the Company's statutory annual accounts which were available at the Company's offices at Schiphol Airport in the Netherlands as well as on the Company's website.

The Chairman thanked the Managing Board for the report and invited Mr. Bozotti to present the Company's 2009 results and answer any questions concerning the Managing Board report that may arise.

Mr. Bozotti subsequently presented the Company's results over the 2009 financial year<sup>1</sup>.

The Chairman thanked Mr. Bozotti for his presentation and gave the persons present at the meeting the opportunity to discuss and ask questions regarding the Managing Board report and Mr. Bozotti's presentation.

Mr. Boom asked about the status of the execution of the Company's priorities for 2010 regarding ST-Ericsson and ramping-up additional capacity.

Mr. Bozotti replied that with respect to ST-Ericsson, the Company is implementing a restructuring plan which will be completed by the end of 2010 with the objective to extract synergies in the range of US \$250 million during the course of 2010. The restructuring is progressing in line with the restructuring plan.

Mr. Bozotti continued that with respect to ramping-up additional capacity, the Company is experiencing a strong increase in demand, both from an industrial sector point of view and a geographical point of view. The Company is expanding its capacity regarding (i) the advanced CMOS technology in the Company's 300 mm fab in Crolles in France, (ii) the smart-power technology in the Company's fabs Italy, (iii) the most mature technology in the Company's 6 inch fab in Singapore and (iv) the procurement of wafers from silicon foundries

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<sup>1</sup> The speech of Mr. Bozotti is included in the Company's annual report on pages 10 through 13.

from Asia. The Chairman noted that the expansion is progressing in line with the plan and that it is anticipated that in Q4 of 2010 there will be a 20% increase in capacity compared to Q4 of 2009.

Since there were no other questions, the Chairman concluded the agenda item.

### **3 Report of our Supervisory Board on the 2009 financial year and discussion thereof**

The Chairman proceeded to the third item on the agenda, being the report of the Supervisory Board, including the remuneration report of the Supervisory Board, on the 2009 financial year. He continued that the report was included in the Company's statutory annual accounts, which were deposited at the Company's offices at Schiphol Airport in the Netherlands as well as posted on the Company's website.

The Chairman gave the persons present the opportunity to discuss and ask questions regarding the Supervisory Board report.

Since there were no questions, the Chairman concluded the agenda item.

#### **4a. Our corporate governance**

The Chairman moved on to the next item on the agenda, being the corporate governance chapter in the Company's 2009 Annual Report. The Chairman stated that in accordance with the preamble to the Dutch Corporate Governance Code dated December 10, 2008, the content of the chapter in the 2009 Annual Report on the corporate governance of the Company and the statement on compliance with the Dutch Corporate Governance Code were available for discussion at the meeting as a separate agenda item.

The Chairman gave the persons present the opportunity to discuss and ask questions regarding the corporate governance chapter.

Since there were no questions, the Chairman concluded the agenda item.

#### **4b. Discussion on and adoption of our statutory annual accounts for our 2009 financial year**

The Chairman moved on to the next item on the agenda, being the discussion on and adoption of the Company's statutory annual accounts for the 2009 financial year.

The Chairman recorded that the Managing Board with due observance of legal and statutory provisions prepared the Company's statutory annual accounts for the 2009 financial year. The statutory annual accounts, which included the reports of the Managing and Supervisory Boards, were prepared in English, consistent with the Company's prior practice and in accordance with IFRS Accounting Standards, as IFRS constitute the Company's statutory reporting standards, and were submitted to the Company's shareholders for adoption pursuant to Dutch law. He continued that the Company's statutory annual accounts were audited by the Company's independent external auditors, PricewaterhouseCoopers Accountants N.V., and were approved by the Supervisory Board.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the statutory annual accounts. I would like to mention that Mr. Baart of PricewaterhouseCoopers Accountants N.V. is available to answer any questions you might have regarding his opinion with respect to the Company's statutory annual accounts as well as his audit activities.

Mr. Boom asked whether an explanation could be provided on the agreement granting certain tax credits for capital investments purchased through the year ended December 31, 2006, as referenced on page 301 of the Company's 2009 annual report.

Mr. Ferro replied that STMicroelectronics operates in various jurisdictions. In certain jurisdictions STMicroelectronics benefits from specific tax rulings, in particular related to investments that occurred in prior years under such jurisdictions.

Since there were no other questions relating to this item of the agenda, the Chairman proposed to adopt the Company's statutory annual accounts for the 2009 financial year, drawn up in the English Language.

413,633,154 votes (99.95%) were cast in favor of the proposal and 213,494 votes (0.05%) were cast against the proposal. There were 307,314 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

**4c. Adoption of a dividend of US \$0.28 per common share for our 2009 financial year**

The Chairman proceeded to the next item on the agenda, being the adoption of a dividend of US \$0.28 per common share, payable in four installments. The Chairman noted that the dividend will be charged to the Company's retained earnings reserve as the Company did not make a profit in 2009.

The Chairman continued that the various record dates and payment dates relating to the distribution of the dividend were included as annex A to the proposed resolutions of the meeting which were deposited at the Company's offices at Schiphol Airport in the Netherlands as well as posted on the Company's website.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the proposed distribution.

Since there were no questions relating to the proposed distribution, the Chairman proposed to adopt the proposal.

412,536,487 votes (99.63%) were cast in favor of the proposal and 1,513,497 votes (0.37%) were cast against the proposal. There were 103,978 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

**4d. Discharge of the sole member of our Managing Board**

The Chairman moved on to the next item on the agenda, being the proposed discharge of the sole member of the Managing Board for his management during the 2009 financial year.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the proposal.

Since there were no questions, the Chairman proposed to adopt the proposal.

410,524,608 votes (99.41%) were cast in favor of the proposal and 2,439,178 votes (0.59%) were cast against the proposal. There were 1,190,176 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

#### **4e. Discharge of the members of our Supervisory Board**

The Chairman moved on to the next item on the agenda, being the proposed discharge of the members of the Supervisory Board for their supervision on the management of the Managing Board during the 2009 financial year.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the proposal.

Since there were no questions, the Chairman proposed to adopt the proposal.

410,969,934 votes (99.41%) were cast in favor of the proposal and 2,446,119 votes (0.59%) were cast against the proposal. There were 1,184,028 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

#### **5 Reappointment of members of our Supervisory Board**

The Chairman proceeded to the next item on the agenda, being the re-appointment of two members of the Supervisory Board.

The Chairman stated that the Supervisory Board proposed to re-appoint Mr. Raymond Bingham and Mr. Alessandro Ovi each for a three-year term effective as of the Company's 2010 Annual General Meeting of Shareholders to expire at the end of the Company's 2013 AGM as members of the Supervisory Board.

The Chairman recorded that in accordance with the provisions of Dutch law the requisite information regarding Mr. Bingham and Mr. Ovi was deposited at the Company's offices at Schiphol Airport in the Netherlands as well as posted on the Company's website.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the proposed appointments.

Since there were no questions relating to this item of the agenda, the Chairman proposed to adopt the proposals.

- 5a.** The Chairman proposed to re-appoint Mr. Raymond Bingham as member of the Supervisory Board for a three-year term effective as of the Company's 2010 Annual General Meeting of Shareholders to expire at the end of the Company's 2013 Annual General Meeting of Shareholders.

351,106,441 votes (84.81%) were cast in favor of the proposal and 62,901,701 votes (15.19%) were cast against the proposal. There were 145,820 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

- 5b.** The Chairman proposed to re-appoint Mr. Alessandro Ovi as member of the Supervisory Board for a three-year term effective as of the 2010 Annual General Meeting of Shareholders to expire at the end of the 2013 Annual General Meeting of Shareholders.

316,045,555 votes (76.60%) were cast in favor of the proposal and 96,548,609 votes (23.40%) were cast against the proposal. There were 1,559,798 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

**6 Appointment of PricewaterhouseCoopers Accountants N.V. as our Auditors**

The Chairman proceeded to the next item on the agenda, being the re-appointment of PricewaterhouseCoopers Accountants N.V. as the Company's external auditors for a one-year term effective as of the Company's 2010 Annual General Meeting of Shareholders to expire at the end of the Company's 2011 Annual General Meeting of Shareholders.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the proposal.

Since there were no questions, the Chairman proposed to adopt the proposal.

413,511,883 votes (99.85%) were cast in favor of the proposal and 613,777 votes (0.15%) were cast against the proposal. There were 28,302 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

**7 Approval of the stock-based portion of the compensation of our President and CEO**

The Chairman proceeded to the next item on the agenda, being the approval of the delegation to the Supervisory Board to grant the stock-based portion of the compensation of the Company's President and CEO.

The Chairman continued that the Supervisory Board proposed to approve the delegation to it of the power to grant Mr. C. Bozotti up to a maximum number of 100,000 common shares, in the form of Unvested Stock Awards, for services to be rendered in 2010 as the Company's President and CEO, whereby the vesting of such Unvested Stock Awards will be tied to Company performance, according to predetermined and quantifiable criteria to be fixed by the Supervisory Board upon the recommendation of its Compensation Committee, with the objective of creating long-term value for the Company's shareholders.

The Chairman noted that the Unvested Stock Awards were intended to provide an incentive to the Company's President and CEO to increase his efforts for the success of the Company by offering him an opportunity to obtain or increase his proprietary interest in the Company through the vesting of the up to 100,000 Unvested Stock Awards to be granted to him, provided the performance conditions attached to vesting of such Awards are met.

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the item.

Since there were no questions, The Chairman proposed to adopt the proposal.

281,443,620 votes (68.05%) were cast in favor of the proposal and 132,168,648 votes (31.95%) were cast against the proposal. There were 541,694 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

**8 Authorization to our Managing Board, for eighteen months as of our 2010 AGM, to repurchase our shares, subject to the approval of our Supervisory Board**

The Chairman moved on to the next item on the agenda, being the authorization to the Managing Board to acquire for a consideration on a stock exchange or otherwise up to such a number of fully paid-up common shares and/or preference shares in the Company's share capital as is permitted by law and the Company's Articles of Association as per the moment of such acquisition – other than acquisition of shares pursuant to article 5 paragraph 2 of the Company's Articles of Association – for a price (i) per common share which at such moment is within a range between the par value of a common share and 110% of the share price per common share on Euronext Paris, the New York Stock Exchange or Borsa Italiana, whichever at such moment is the highest, and (ii) per preference share which is equal to the par value of a preference share increased with an amount equal to the accrued but unpaid dividend on such preference share per the relevant repurchase date, *mutatis mutandis* calculated in accordance with article 37 paragraph 2 sub e of the Company's Articles of Association, all subject to the approval of the Supervisory Board, for a period of eighteen months as of the date of the Company's 2010 Annual General Meeting of Shareholders.

The Chairman explained that this authorization was requested to offer the Managing Board with the approval of the Supervisory Board the possibility to repurchase, when it is in the best interest of the Company's shareholders and other stakeholders for creating long term value, a number of fully paid-up ordinary and/or preference shares, within the limit of the Company's Articles of Association (which is set at 10% of the Company's issued share capital).

The Chairman gave the persons present at the meeting the opportunity to discuss and ask questions regarding the proposal.

Since there were no questions, the Chairman proposed to adopt the proposal.

412,225,365 votes (99.66%) were cast in favor of the proposal and 1,407,812 votes (0.34%) were cast against the proposal. There were 520,785 abstentions.

The Chairman recorded that in accordance with article 32 of the Company's articles of association the majority of the votes had been cast in favor of the proposal, so that the proposal was adopted.

## **9 Question time**

The Chairman recorded that the meeting enabled the Managing Board to implement, in as far as necessary, the issues discussed at the meeting.

The Chairman informed the meeting that all proposals on the agenda were dealt with and, to the extent applicable, voted on, and gave the persons present at the meeting the opportunity to ask any other questions which they had regarding the Company.

Mr. Swinkels asked how the Company communicates with its shareholders, given the fact that many shareholders are located outside the Netherlands.

Mr. Bozotti replied that, in addition to this shareholders' meeting, the Company has quarterly information meetings after the release of the Company's results and annual information meetings. The next annual information meeting will be in London on June 3, 2010. Mr. Bozotti concluded that the Company also posts information on its website, [www.st.com](http://www.st.com).

Since there were no further questions, the Chairman proceeded to the last item on the agenda, being the close of the meeting.

## **10 Close**

The Chairman thanked all persons present at the meeting for their attendance and contribution to the discussion at the meeting. Also on behalf of the entire Supervisory Board and Mr. Bozotti, the Chairman expressed his hope that he could meet again next year. The Chairman wished everyone a safe trip home.

Signed by: A. Turicchi (Chairman) and R. Bosveld (Secretary)