



Press release
February 12, 2009

ST-Ericsson Born as Wireless-Semiconductor Industry Leader

*Innovation plays key role in 50/50 joint venture
between STMicroelectronics and Ericsson*

Geneva, SWITZERLAND, February 12, 2009 – The 50/50 joint venture that united the wireless semiconductor division of STMicroelectronics (NYSE:STM) and the mobile platform division of Ericsson (NASDAQ:ERIC) will move forward as ST-Ericsson. This announcement follows the recent closing of the agreement announced in August 2008, between the parent companies, to merge Ericsson Mobile Platforms and ST-NXP Wireless. ST-Ericsson takes center-stage as a powerful new driving force in the wireless semiconductor industry; a key supplier to four of the top five handset manufacturers, with combined pro-forma revenues of about US\$3.6bn in 2008, and a solid cash position of US\$400mn.

“ST-Ericsson is born as a leader, drawing upon the strong heritage of some of the best wireless companies. Thanks to our cumulative experience, unique portfolio and long-standing relationships with the top handset manufacturers, ST-Ericsson has the four fundamental components necessary for success: a commitment to innovation, a complete portfolio of wireless solutions, a solid reputation as a reliable and trusted partner and an experienced management team focused on execution,” said Alain Dutheil, President and CEO of ST-Ericsson. “The strong backing of experienced parent companies, combined with the highly complementary and compatible cultures, gives ST-Ericsson an optimal starting point for quickly consolidating its position as a sustainable leader.”

Dutheil stressed the primary importance of technology innovation to the new company. “We have the scale to invest and bring to market the technologies that will give our customers the momentum to succeed,” he added. “We will build on a well-established tradition of technology and innovation leadership to create a well focused R&D powerhouse.”

One of the most comprehensive IP portfolios in the industry reflects ST-Ericsson’s unrivalled R&D lineage. With almost 85 percent of its workforce in R&D and a large collection of important patents to its credit, ST-Ericsson will enable its customers to optimize existing technologies, while developing new ones for the future needs of the market. This commitment to R&D provides faster time-to-market and better return on investment for the Company’s customers.

ST-Ericsson is unique in its ability to deliver state-of-the-art mobile multimedia, connectivity and platform solutions including reference designs for GSM, EDGE, WCDMA, HSPA, as well as TD-SCDMA and LTE. The Company’s multimedia and application processors, supporting all major operating systems (OS), will power next-generation devices. Its industry-leading connectivity and broadcast solutions span Bluetooth, FM, GPS, WLAN, Near Field Communications and USB to provide the richest wireless experience. ST-Ericsson’s world-class solutions cover all market segments, from entry

-- more --



level to smartphone, and can be delivered as completely integrated solutions, as well as individual components.

ST-Ericsson has long-standing relationships with all major handset manufacturers and is a leading supplier to Nokia, Samsung, Sony Ericsson, LG and Sharp, as well as to other exciting industry leaders.

Headquartered in Geneva, Switzerland, the Company also revealed details of its management team, drawing on a pool of executive talent with substantial and varied industry experience. Joining President and Chief Executive Officer Alain Dutheil are:

- Robert Puskaric, Deputy CEO, Executive Vice President
- Tommi Uhari, Senior Vice President, Products
- Abhijit Bhattacharya, Vice President, Operations and Quality
- Marc Cetto, Vice President, 2G and Connectivity
- Jean-Louis Champseix, Vice President, Human Resources
- Monica De Virgiliis, Vice President, Wireless Multimedia
- Jörgen Lantto, Vice President, Mobile Platforms and CTO
- Claudia Levo, Vice President, Global Communications
- Timothy Lucie-Smith, Vice President, Chief Financial Officer
- Thierry Tingaud, Vice President, Strategic Planning
- Lotta Westerlund, Vice President, Legal Affairs
- Pascal Langlois, Vice President, Sales, reporting to Chief Sales and Marketing Officer, R. Puskaric

In addition to its name, ST-Ericsson today also disclosed its logo and brand, which capitalizes on its strong roots, while retaining the rich wireless heritage of both parent companies. At the same time, the new visual expression of the brand differentiates the new company and emphasizes the independent identity of this new driving force in the wireless semiconductor industry. The result is a vibrant new wireless brand built on a solid industry foundation.

Created as a fabless company, ST-Ericsson will utilize the leading-edge wafer-processing capabilities of STMicroelectronics as well as other third-party foundries. It also has full access to world-class assembly and test facilities operated by STMicroelectronics. ST-Ericsson's operations are spread around the world, with main centers in China, Finland, France, Germany, India, Japan, Korea, Netherlands, Norway, Singapore, Sweden, the UK and the USA.

Notes to editors

A downloadable version of the logo is available at www.ericsson.com/ericsson/press/photos/ericsson_st.shtml and at http://www.st.com/stonline/company/st_ericsson_logo.zip

President and CEO, Alain Dutheil's biography can be found at: www.st.com/stonline/company/bio/biography_alain_st_ericsson.htm



ST-Ericsson's Presence at Mobile World Congress 2009

Visitors to Mobile World Congress 2009, in Barcelona, can visit Hall 8 booth B110 to learn more about ST-Ericsson and experience the new brand.

The Company will webcast a presentation from Barcelona for Media and Analysts on February 17th at 11:00am CET. To participate in the webcast please visit <http://investors.st.com> or <http://www.ericsson.com/investors>

About ST-Ericsson

ST-Ericsson is a world leader in developing and delivering a complete portfolio of innovative mobile platforms and cutting-edge wireless semiconductor solutions across the broad spectrum of mobile technologies. The company is a leading supplier to the top handset manufacturers and ST-Ericsson's products and technologies enable more than half of all phones in use today. The global company of 8,000 people generated pro-forma sales of about USD 3.6 billion in 2008. ST-Ericsson was established as a 50/50 joint venture by STMicroelectronics and Ericsson in February 2009, with headquarters in Geneva, Switzerland. More information on ST-Ericsson will be available at www.stericsson.com as of February 16th.

FOR FURTHER INFORMATION, PLEASE CONTACT

Media

Sukul Bagai

Tel: +44 (0) 779 544 8650
Email: Sukul.Bagai@text100.co.uk

Vicky Hayden

Tel: +44 (0) 795 608 8750
Email: Vicky.Hayden@text100.co.uk

Ericsson Corporate Public & Media Relations

Tel: +46 10 719 6992
Email: press.relations@ericsson.com

STMicroelectronics Corporate Media and Public Relations

Tel: +41 22 929 2936
Email: press.relations@st.com

Investors

STMicroelectronics

Tait Sorensen
Tel: +1 602 485-2064
Email: tait.sorensen@st.com

Ericsson Investor Relations

Tel: +46 10 719 0000
Email: investors.relations@ericsson.com