

STMicroelectronics N.V.

Consolidated Statements of Income

(in million of U.S. dollars, except per share data (\$))

	Three Months Ended	
	(Unaudited)	(Unaudited)
	December 31,	December 31,
	<u>2011</u>	<u>2010</u>
Net sales	2,170	2,810
Other revenues	21	23
NET REVENUES	2,191	2,833
Cost of sales	(1,459)	(1,704)
GROSS PROFIT	732	1,129
Selling, general and administrative	(280)	(310)
Research and development	(614)	(604)
Other income and expenses, net	39	30
Impairment, restructuring charges and other related closure costs	(9)	(32)
Total Operating Expenses	(864)	(916)
OPERATING INCOME (LOSS)	(132)	213
Interest expense, net	(5)	(5)
Earnings (loss) on equity method investments	(6)	(10)
Gain (loss) on financial instruments, net	3	(12)
INCOME (LOSS) BEFORE INCOME TAXES	(140)	186
AND NONCONTROLLING INTEREST		
Income tax benefit (expense)	(70)	(50)
INCOME (LOSS) BEFORE NONCONTROLLING INTEREST	(210)	136
Net loss attributable to noncontrolling interest	199	83
NET INCOME (LOSS) ATTRIBUTABLE TO PARENT COMPANY	(11)	219
EARNINGS (LOSS) PER SHARE (BASIC) ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	(0.01)	0.25
EARNINGS (LOSS) PER SHARE (DILUTED) ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	(0.01)	0.24
NUMBER OF WEIGHTED AVERAGE		
SHARES USED IN CALCULATING		
DILUTED EARNINGS (LOSS) PER SHARE	885.0	908.2

STMicroelectronics N.V.
Consolidated Statements of Income
(in million of U.S. dollars, except per share data (\$))

	Twelve Months Ended	
	(Unaudited)	(Audited)
	December 31, <u>2011</u>	December 31, <u>2010</u>
Net sales	9,630	10,262
Other revenues	105	84
NET REVENUES	9,735	10,346
Cost of sales	(6,161)	(6,331)
GROSS PROFIT	3,574	4,015
Selling, general and administrative	(1,210)	(1,175)
Research and development	(2,352)	(2,350)
Other income and expenses, net	109	90
Impairment, restructuring charges and other related closure costs	(75)	(104)
Total Operating Expenses	(3,528)	(3,539)
OPERATING INCOME	46	476
Other-than-temporary impairment charge and realized gain on financial assets	318	-
Interest expense, net	(25)	(3)
Earnings (loss) on equity method investments and gain on investment divestiture	(28)	242
Gain (loss) on financial instruments, net	25	(24)
INCOME BEFORE INCOME TAXES	336	691
AND NONCONTROLLING INTEREST		
Income tax expense	(181)	(149)
INCOME BEFORE NONCONTROLLING INTEREST	155	542
Net loss attributable to noncontrolling interest	495	288
NET INCOME ATTRIBUTABLE TO PARENT COMPANY	650	830
EARNINGS PER SHARE (BASIC) ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	0.74	0.94
EARNINGS PER SHARE (DILUTED) ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	0.72	0.92
NUMBER OF WEIGHTED AVERAGE		
SHARES USED IN CALCULATING		
DILUTED EARNINGS PER SHARE	904.5	911.1