

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

	<b>Three Months Ended</b>	
	(Unaudited)	(Audited)
	December 31,	December 31,
	<u>2005</u>	<u>2004</u>
Net sales	2,388	2,326
Other revenues	1	2
<b>NET REVENUES</b>	<b>2,389</b>	<b>2,328</b>
Cost of sales	-1,517	-1,476
<b>GROSS PROFIT</b>	<b>872</b>	<b>852</b>
Selling, general and administrative	-259	-245
Research and development	-402	-402
Other income and expenses, net	2	23
Impairment, restructuring charges and other related closure costs	-16	-18
Total Operating Expenses	-675	-642
<b>OPERATING INCOME</b>	<b>197</b>	<b>210</b>
Interest income, net	11	5
Loss on equity investments	0	-2
<b>INCOME BEFORE INCOME TAXES</b>	<b>208</b>	<b>213</b>
<b>AND MINORITY INTERESTS</b>		
Income tax expense	-25	-26
<b>INCOME BEFORE MINORITY INTERESTS</b>	<b>183</b>	<b>187</b>
Minority interests	0	0
<b>NET INCOME</b>	<b>183</b>	<b>187</b>
<b>EARNINGS PER SHARE (BASIC)</b>	<b>0.20</b>	<b>0.21</b>
<b>EARNINGS PER SHARE (DILUTED)</b>	<b>0.20</b>	<b>0.20</b>
<b>NUMBER OF WEIGHTED AVERAGE</b>		
<b>SHARES USED IN CALCULATING</b>	<b>937.3</b>	<b>935.1</b>
<b>DILUTED EARNINGS PER SHARE</b>		

STMicroelectronics N.V.

Consolidated Statements of Income

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

	<b>Twelve Months Ended</b>	
	(Unaudited)	(Audited)
	December 31,	December 31,
	<u>2005</u>	<u>2004</u>
Net sales	8,876	8,756
Other revenues	6	4
<b>NET REVENUES</b>	<b>8,882</b>	<b>8,760</b>
Cost of sales	-5,845	-5,532
<b>GROSS PROFIT</b>	<b>3,037</b>	<b>3,228</b>
Selling, general and administrative	-1,026	-947
Research and development	-1,630	-1,532
Other income and expenses, net	-9	10
Impairment, restructuring charges and other related closure costs	-128	-76
Total Operating Expenses	-2,793	-2,545
<b>OPERATING INCOME</b>	<b>244</b>	<b>683</b>
Interest income (expense), net	34	-3
Loss on equity investments	-3	-4
Loss on extinguishment of convertible debt	0	-4
<b>INCOME BEFORE INCOME TAXES</b>	<b>275</b>	<b>672</b>
<b>AND MINORITY INTERESTS</b>		
Income tax expense	-8	-68
<b>INCOME BEFORE MINORITY INTERESTS</b>	<b>267</b>	<b>604</b>
Minority interests	-1	-3
<b>NET INCOME</b>	<b>266</b>	<b>601</b>
<b>EARNINGS PER SHARE (BASIC)</b>	<b>0.30</b>	<b>0.67</b>
<b>EARNINGS PER SHARE (DILUTED)</b>	<b>0.29</b>	<b>0.65</b>
<b>NUMBER OF WEIGHTED AVERAGE</b>		
<b>SHARES USED IN CALCULATING</b>	<b>935.6</b>	<b>935.1</b>
<b>DILUTED EARNINGS PER SHARE</b>		