

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>2007</u>	<u>2006</u>
Net sales	2,733	2,482
Other revenues	9	1
NET REVENUES	2,742	2,483
Cost of sales	-1,731	-1,582
GROSS PROFIT	1,011	901
Selling, general and administrative	-295	-281
Research and development	-480	-430
Other income and expenses, net	28	-7
Impairment, restructuring charges and other related closure costs	-279	-10
Total Operating Expenses	-1,026	-728
OPERATING INCOME (LOSS)	-15	173
Other-than-temporary impairment charge on marketable securities	-46	0
Interest income, net	25	25
Earnings (loss) on equity investments	2	-1
INCOME BEFORE INCOME TAXES	-34	197
AND MINORITY INTERESTS		
Income tax benefit	55	80
INCOME BEFORE MINORITY INTERESTS	21	277
Minority interests	-1	-1
NET INCOME	20	276
 EARNINGS PER SHARE (BASIC)	 0.02	 0.31
EARNINGS PER SHARE (DILUTED)	0.02	0.30
 NUMBER OF WEIGHTED AVERAGE		
SHARES USED IN CALCULATING	904.2	940.7
DILUTED EARNINGS PER SHARE		

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

	Twelve Months Ended	
	(Unaudited)	(Audited)
	December 31,	December 31,
	<u>2007</u>	<u>2006</u>
Net sales	9,966	9,838
Other revenues	35	16
NET REVENUES	10,001	9,854
Cost of sales	-6,465	-6,331
GROSS PROFIT	3,536	3,523
Selling, general and administrative	-1,099	-1,067
Research and development	-1,802	-1,667
Other income and expenses, net	48	-35
Impairment, restructuring charges and other related closure costs	-1,228	-77
Total Operating Expenses	-4,081	-2,846
OPERATING INCOME (LOSS)	-545	677
Other-than-temporary impairment charge on marketable securities	-46	0
Interest income, net	83	93
Earnings (loss) on equity investments	14	-6
INCOME (LOSS) BEFORE INCOME TAXES	-494	764
AND MINORITY INTERESTS		
Income tax benefit	23	20
INCOME (LOSS) BEFORE MINORITY INTERESTS	-471	784
Minority interests	-6	-2
NET INCOME (LOSS)	-477	782
 EARNINGS (LOSS) PER SHARE (BASIC)	 -0.53	 0.87
EARNINGS (LOSS) PER SHARE (DILUTED)	-0.53	0.83
 NUMBER OF WEIGHTED AVERAGE		
SHARES USED IN CALCULATING	898.7	958.5
 DILUTED EARNINGS (LOSS) PER SHARE		