



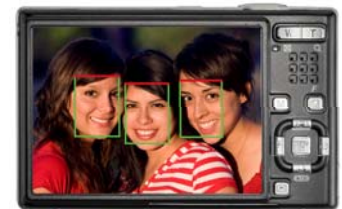
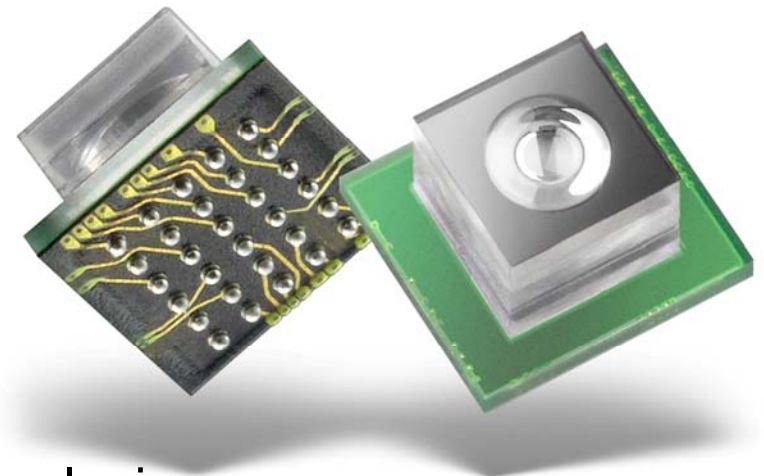
December 2008

# Safe Harbor Statement

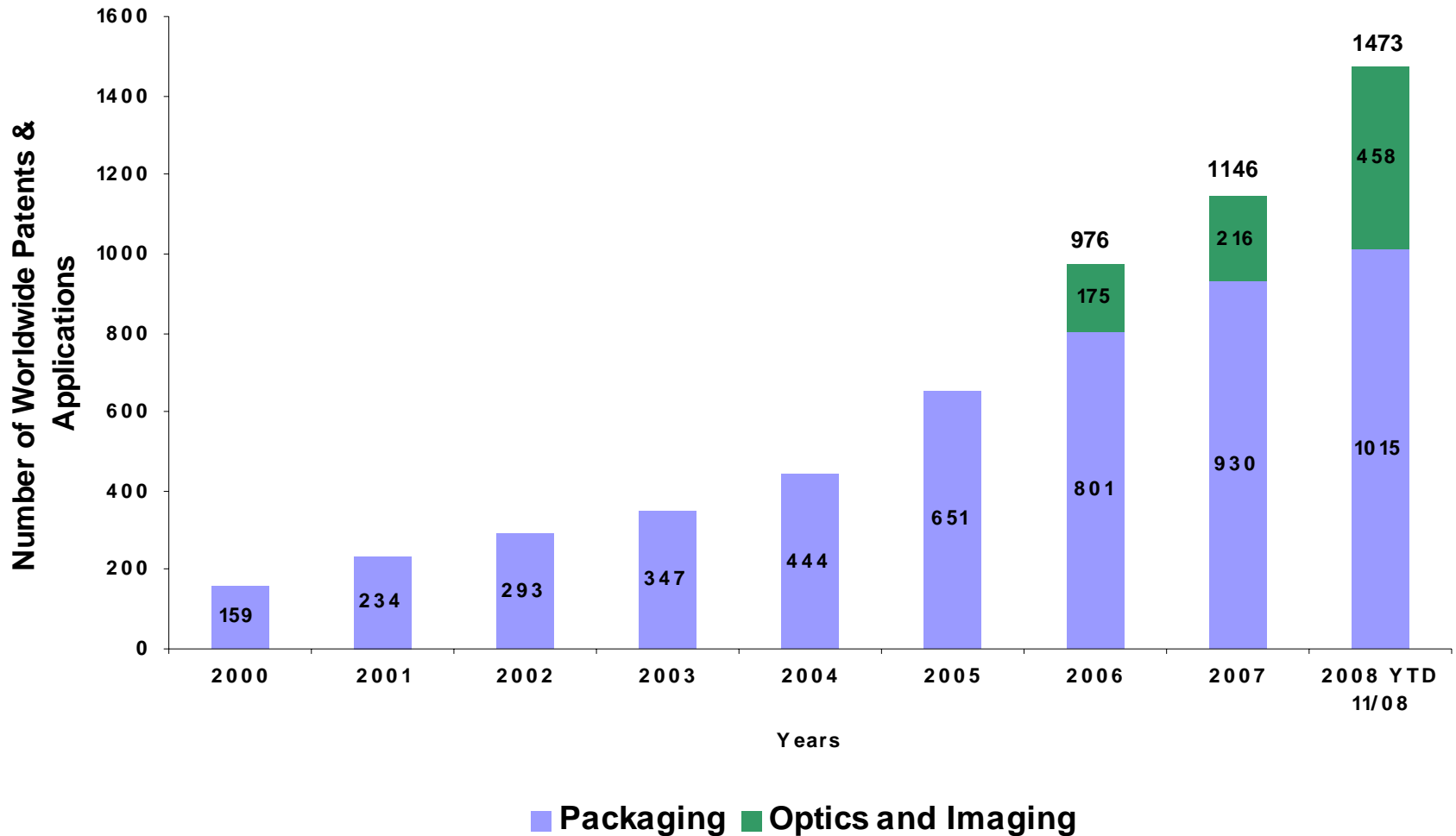
This presentation contains forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties that could cause actual results to differ significantly from those projected. Material factors that may cause results to differ from the statements made include delays, setbacks or losses relating to our intellectual property or intellectual property litigations, or any invalidation or limitation of our key patents; fluctuations in our operating results due to the timing of new license agreements and royalties, or due to legal costs; changes in patent laws, regulation or enforcement, or other factors that might affect our ability to protect our intellectual property; the risk of a decline in demand for semiconductor products; failure by the industry to adopt our technologies; competing technologies; the future expiration of our patents; the future expiration of our license agreements and the cessation of related royalty income; the failure or refusal of licensees to pay royalties; failure to achieve the growth prospects and synergies expected from acquisition transactions; and delays and challenges associated with integrating acquired companies with our existing businesses. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this release. Tessera's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2007, and its Quarterly Report on Form 10-Q for the quarter ended Sept. 30, 2008 include more information about factors that could affect the company's financial results.

# Tessera Overview

- Leading provider of transformational technologies that enable innovation in next-generation electronics
  - Chip packaging
  - Interconnect and substrates
  - Consumer imaging
- Compelling value proposition
  - Faster time to market with new technologies
  - Lowers industry R&D risk & expense
  - Facilitates broad adoption that reduces cost



# Strong Patent Portfolio

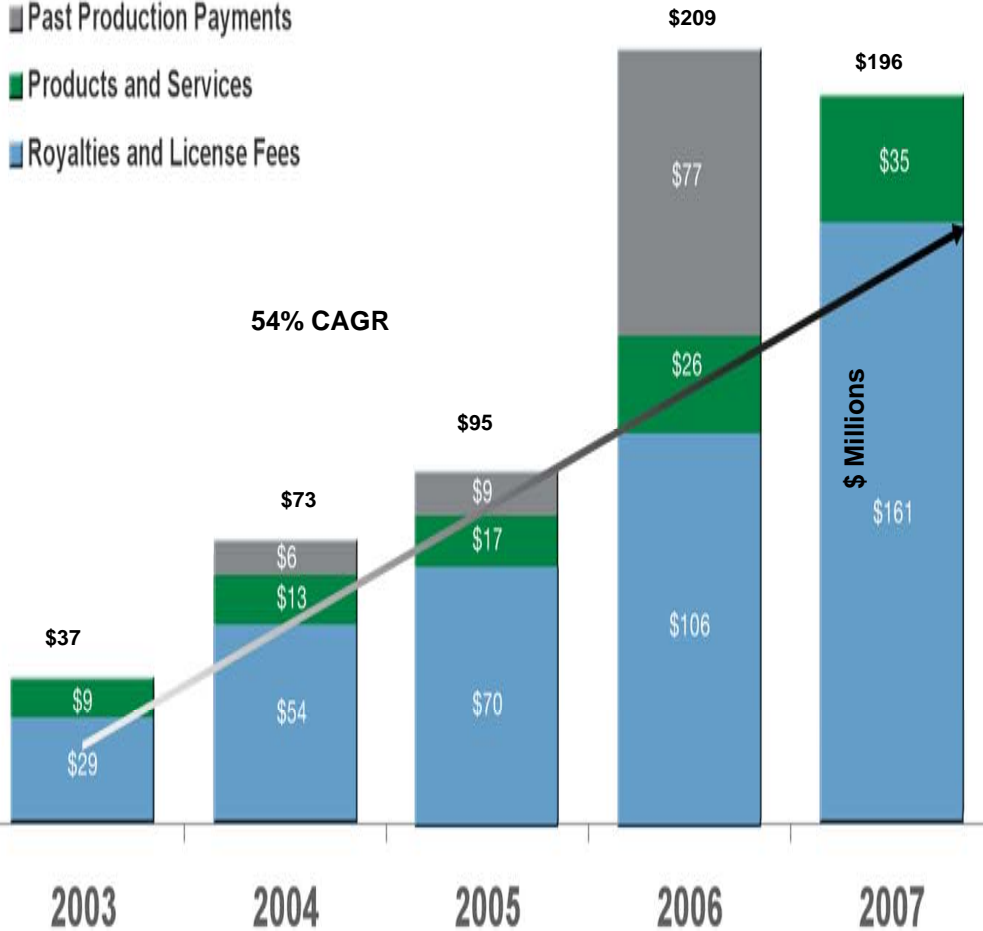


# Growing Licensing Program

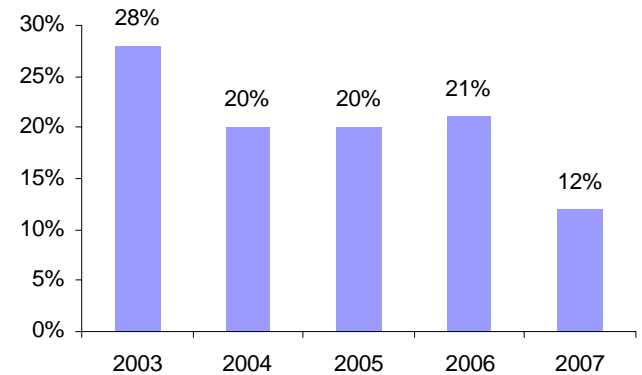
Annual Revenue

- Past Production Payments
- Products and Services
- Royalties and License Fees

54% CAGR

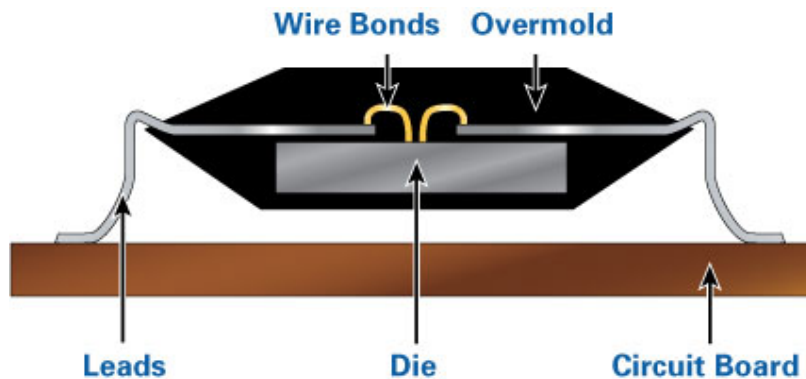


Largest Customer as % of Total Revenue

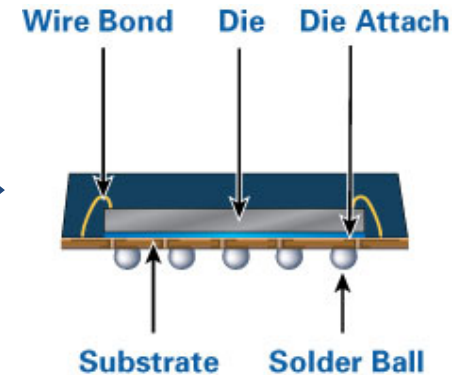


# CSP Revolutionizes Packaging

## Thin Small Outline Package (TSOP)

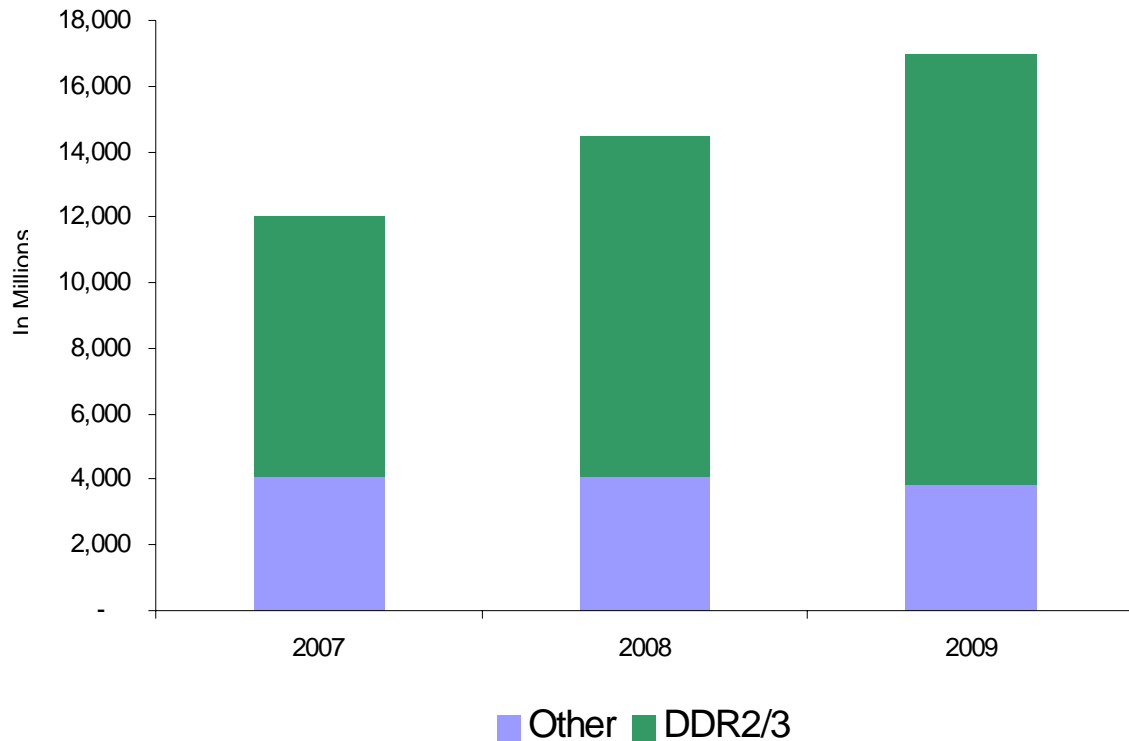


## Chip Scale Package (CSP)



- Higher chip performance requirements create thermal cycling stress
- Tessera CSP's flexible substrate greatly improves reliability, and enables the package to be the same size as the die
- Industry invests heavily in CSP packaging

# Gartner DRAM Unit Growth

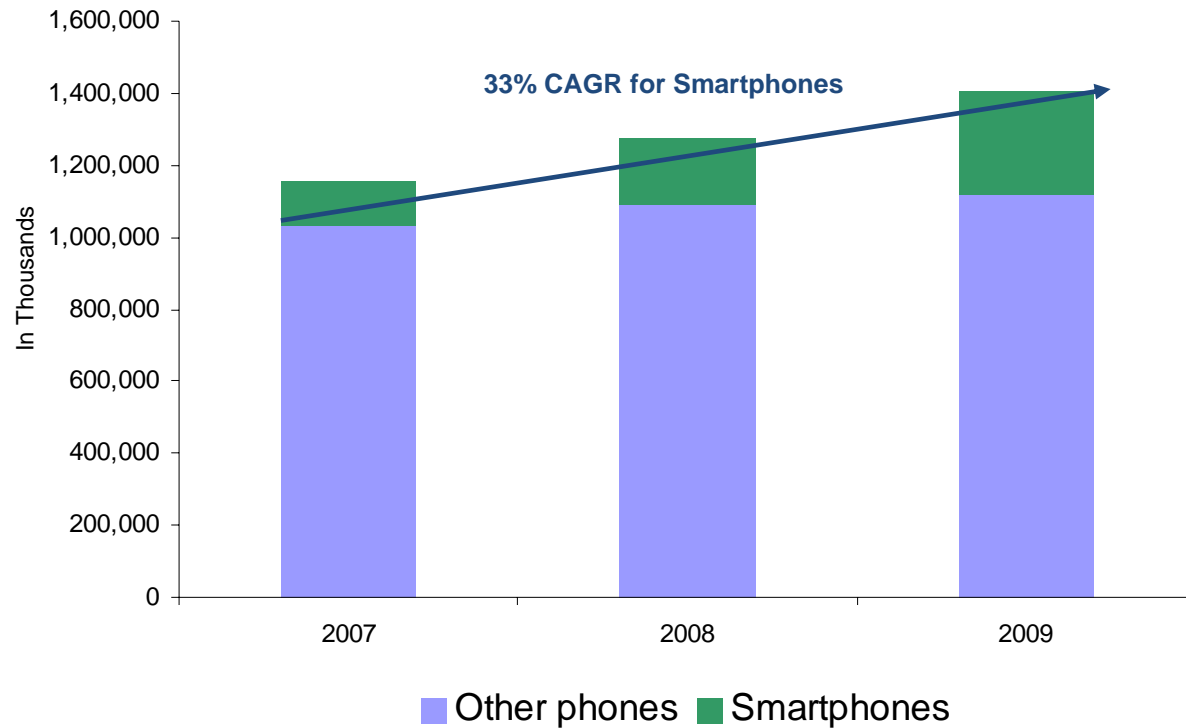


- 12% CAGR predicted for Total DRAM from 2007 – 2009
  - PC '09 vs. '08 unit growth lowered to 5% vs. 14%
  - Cell phone '09 vs. '08 unit growth lowered to 3% vs. 9%
- 18% CAGR predicted for DDR2/DDR3 from 2007 – 2009

Source: Gartner, Nov. 2008

# Wireless Unit Growth

- Sales growth in emerging markets remains strong
- Smart phones gaining in popularity and sales across all continents



Source: Gartner, July 2008

# Defense of IP Update

- Amkor (Wireless)
  - Panel ruled Tessera patents valid and enforceable
  - Monetary award to be determined, will be material
- ITC Wireless Case (#605)
  - Administrative Law Judge (ALJ) ruled patents valid but not infringed
  - TSRA to request full ITC review of ALJ's decision
  - Final determination from Full Commission due by April 3, 2009
  - Motorola signed an option to enter into a pre-negotiated license agreement within a specified time period
  - Qualcomm, Freescale, Motorola, ST Micro, Spansion, ATI
- ITC DRAM Case (#630)
  - Initial Determination due by January 14, 2009: Final determination by April 14, 2009
  - A-DATA, Acer, Centon, Elpida, Kingston, IPSG, Nanya, Patriot Memory, Powerchip, Promos, Ramaxel, SMART, TwinMOS
  - Tessera has settled with IPSG and Patriot Memory
- ITC Subcontract Assembly Case (#649)
  - Trial scheduled for April 27, 2009
  - Siliconware, STATS ChipPAC, ASE Inc., ChipMOS Technologies
- Patent & Trademark Office (PTO)
  - Office actions issued on several key patents; process ongoing

# “One Stop Shop” for Imaging & Optics Solutions



## DSC

2 ▶ 4 ▶ 8 ▶ 16MPix

Red Eye Zoom  
Auto-Focus Anti-Shake  
Face Tracking



## Cell Phone

VGA ▶ 1.3 ▶ 2 ▶ 3 ▶ 5MPix

Zoom Auto-Focus

## Embedded Imaging

Auto-Focus  
Zoom

VGA → 16MPix

Red Eye  
Low-light  
Performance  
Face Tracking  
Smile Detection

WLOWLP/WLC



DSC Camera



Cell Phone



Security



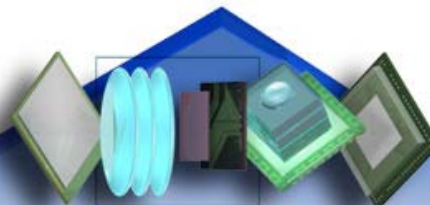
Automotive



Toys



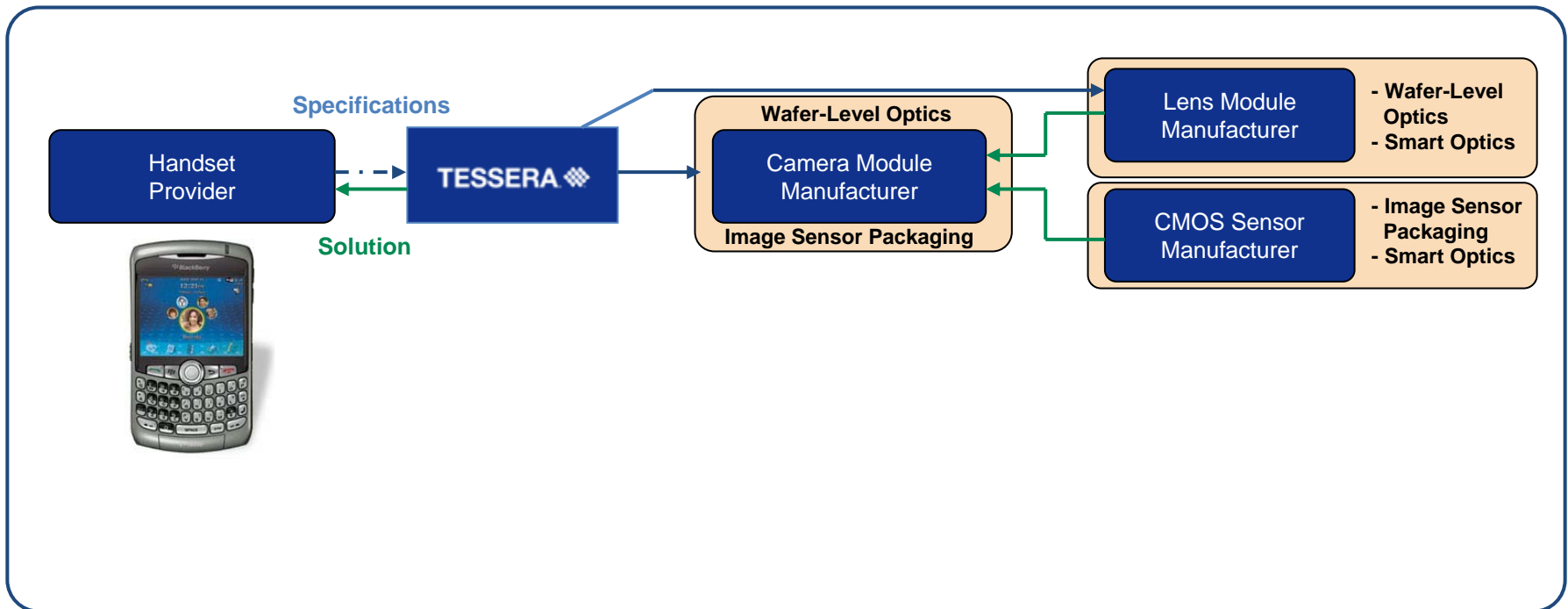
Notebook



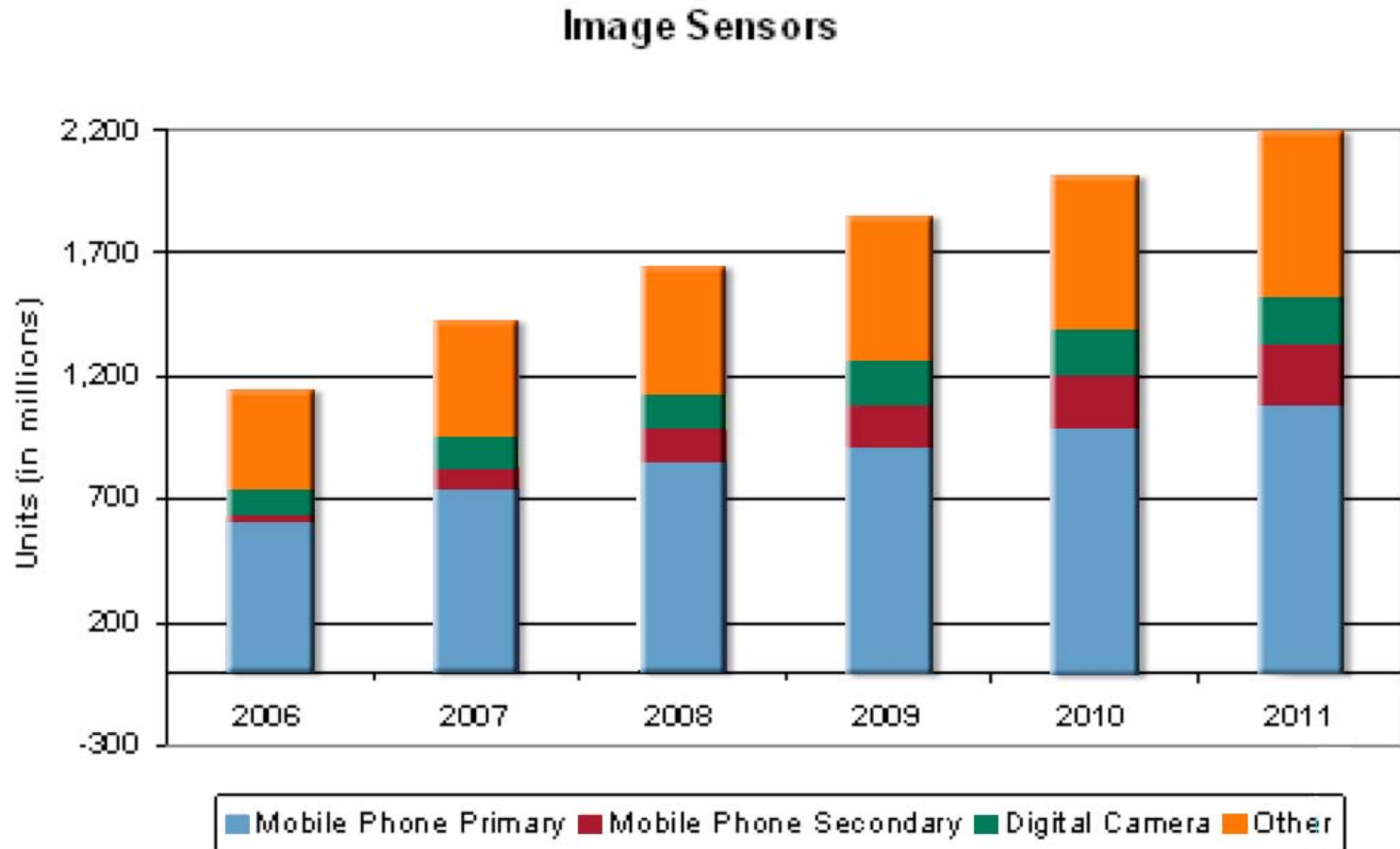
Tessera  
Imaging & Optics  
Solutions

# Enables the Supply Chain

- Offers system-level optimization (optics, sensor, software)
- Provides “plug-and-play” products for handset platforms
  - No need for system redesign, additional infrastructure, etc.
- Combined technologies deliver more value to manufacturers
- Enables complete supply chain for handset makers



# Image Sensor Unit Growth



Source: Market Breakdown of Camera phone, TSR, May. 2008

# Building Product Portfolio/Gaining Recognition

- **OptiML™ WLC Awards**

- WINNER - Electronic Products Magazine Product of the Year Award (01.2008)



- WINNER - *Advanced Packaging Award* in the Novel Package Design category (07.2008)



- WINNER - Winner of the R&D 100 Awards (08.2008)



- **New Products in 2008**

- OptiML UFL - Launched March 11th
- SHELLCASE MVP – Launched April 18th
- OptiML Zoom – Launched April 28th



# Financial Results & Guidance

(\$ million)		Q108 Actual	Q208 Actual	Q308 Actual	Q408 Guidance
Revenue		59.4	56.3	63.5	67-69
Royalties & License Fees		50.2	49.9	57.6	53-55
Non-GAAP	Cost of Revenue**	3.6	3.5	3.2	
	R&D**	8.8	11.5	11.8	
	SG&A**	12.0	13.2	13.4	
	Operating Expenses excluding Litigation**	24.4	28.2	28.3	29-30
	Litigation	20.2	17.2	29.2	
Total Operating Expense**		44.7	45.3	57.6	
Non-GAAP Net Income		16.1	9.1	0.4	
Non-GAAP EPS		0.33	0.18	0.01	
Free Cash Flow per Share***		0.16	0.46	0.44	
Amortization of intangibles		2.3	2.9	2.9	2.9
Stock-based Compensation		4.5	5.8	6.6	6.2
Acquired In-Process R&D		2.5	-	-	
GAAP Tax		73%	98%	NM	
GAAP Net Income		2.2	0.08	(5.4)	
GAAP EPS		0.05	0.00	(0.11)	

\* Q408 guidance, given 12/1/08 and 10/30/08, assumes no settlements, license fees, or associated past production payments related to current litigation efforts.

\*\* Excludes Stock based Compensation, Amortization of Acquired Intangibles and Acquired In-Process R&D. SG&A excludes Litigation.

\*\*\* Free Cash Flow per Share is defined as Operating Cash Flow less Capital Expenditures.

# Investment Highlights

---

- Diversified customer base and strong long-term unit growth in core business
- Significant upside possible in CSP TAM through successful resolution of Amkor arbitration and ITC actions
- Distributed innovation to new markets such as Consumer Imaging and Thermal Management
- Solid foundation with continued free cash flow generation



Thank you