ARM Holdings plc.
Overview

March 2006

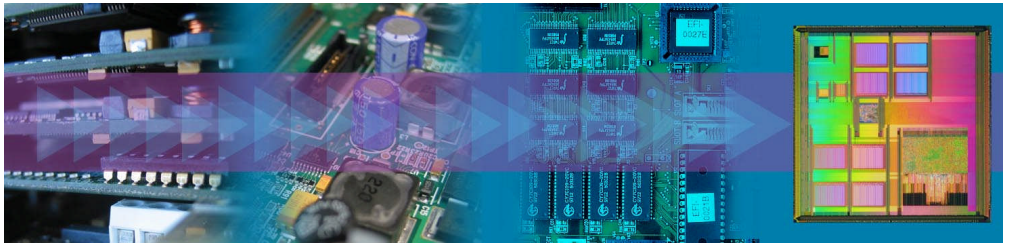
Cautionary Statement Concerning Forward-Looking Statements

- This presentation contains forward-looking statements as defined in section 102 of the Private Securities Litigation Reform Act of 1995. These statements are subject to risk factors associated with the semiconductor and intellectual property businesses. When used in this document, the words “anticipates”, “may”, “can”, “believes”, “expects”, “projects”, “intends”, “likely”, similar expressions and any other statements that are not historical facts, in each case as they relate to ARM, its management or its businesses and financial performance and condition are intended to identify those assertions as forward-looking statements. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a variety of variables, many of which are beyond our control. These variables could cause actual results or trends to differ materially and include, but are not limited to: failure to realize the benefits of our recent acquisitions, unforeseen liabilities arising from our recent acquisitions, price fluctuations, actual demand, the availability of software and operating systems compatible with our intellectual property, the continued demand for products including ARM’s intellectual property, delays in the design process or delays in a customer’s project that uses ARM’s technology, the success of our semiconductor partners, loss of market and industry competition, exchange and currency fluctuations, any future strategic investments or acquisitions, rapid technological change, regulatory developments, ARM’s ability to negotiate, structure, monitor and enforce agreements for the determination and payment of royalties, actual or potential litigation, changes in tax laws, interest rates and access to capital markets, political, economic and financial market conditions in various countries and regions and capital expenditure requirements.
- More information about potential factors that could affect ARM’s business and financial results is included in ARM’s Annual Report on Form 20-F for the fiscal year ended December 31, 2004 including (without limitation) under the captions, “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which is on file with the Securities and Exchange Commission (the “SEC”) and available at the SEC’s website at www.sec.gov.

What is ARM

Background – Semiconductor Market

- ARM is a secular growth story with a 25+ year time horizon
- Industry is 50 years old and looks set to continue for another 50 years
- Several waves of semiconductor technology
  - Now in the middle of CMOS
  - CMOS has enabled MSI>LSI>VLSI>SOC
- Technical progress brings a basis for industry evolution
  - Miniaturisation
  - Reductions in costs
  - Increases in complexity



- Vertical integration gives way to horizontal specialisation
  - Creates a sub-sector: Semiconductor IP

Background – Computing Market

- Computing has evolved in parallel with the Semiconductor market over a similar but slightly longer period

- Semiconductor technology is now allowing computing to become embedded into everyday products
  - Enhancing existing products
  - Enabling the creation of new ones

ARM develops technology at the heart of …

Nokia N90, N91, N70 Multimedia Handsets

Epson P-2000 PMP

Nintendo Gameboy Micro

Mitsubishi Pocket Projector

Sony Playstation Portable - PSP

SpotME Portable Wireless Contact Manager

Nokia 770 Internet Tablet

Panasonic - PT-56DLX75 HDTV

Reciva Internet Radio

Airspan EasyST

Alvarion BreezeMax

DrewTech – ScanDaq

DynonAvionics - EMS-D10
(Engine Monitoring System, EMS-D10)

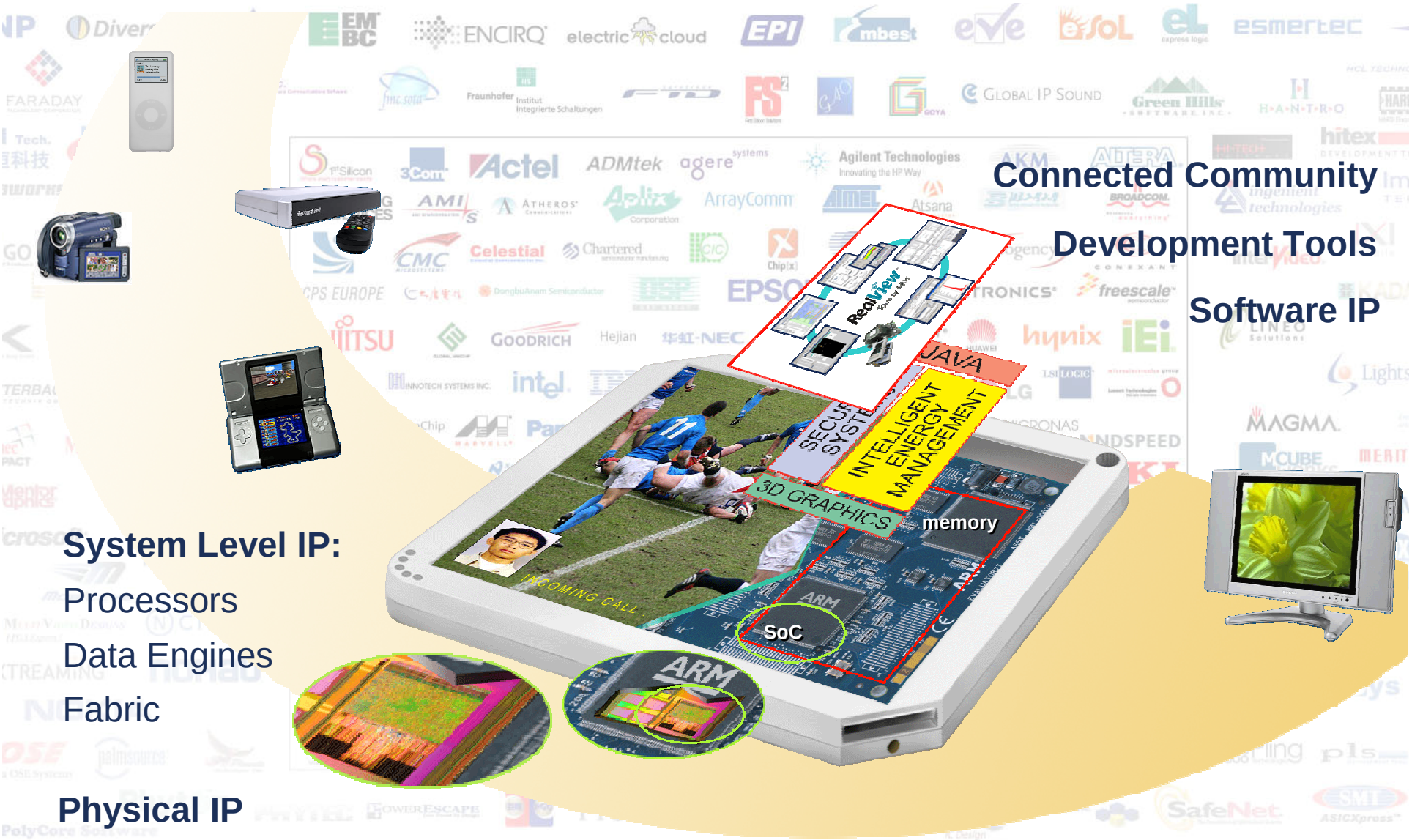
Linksys: Compact Wireless-G Broadband router

XKey 2.0 USB Memory Stick

Magellan Road Mate 700

Dynon Avionics - EFIS-D10A
(Electronic Flight Information System)

What does ARM do?



System Level IP:

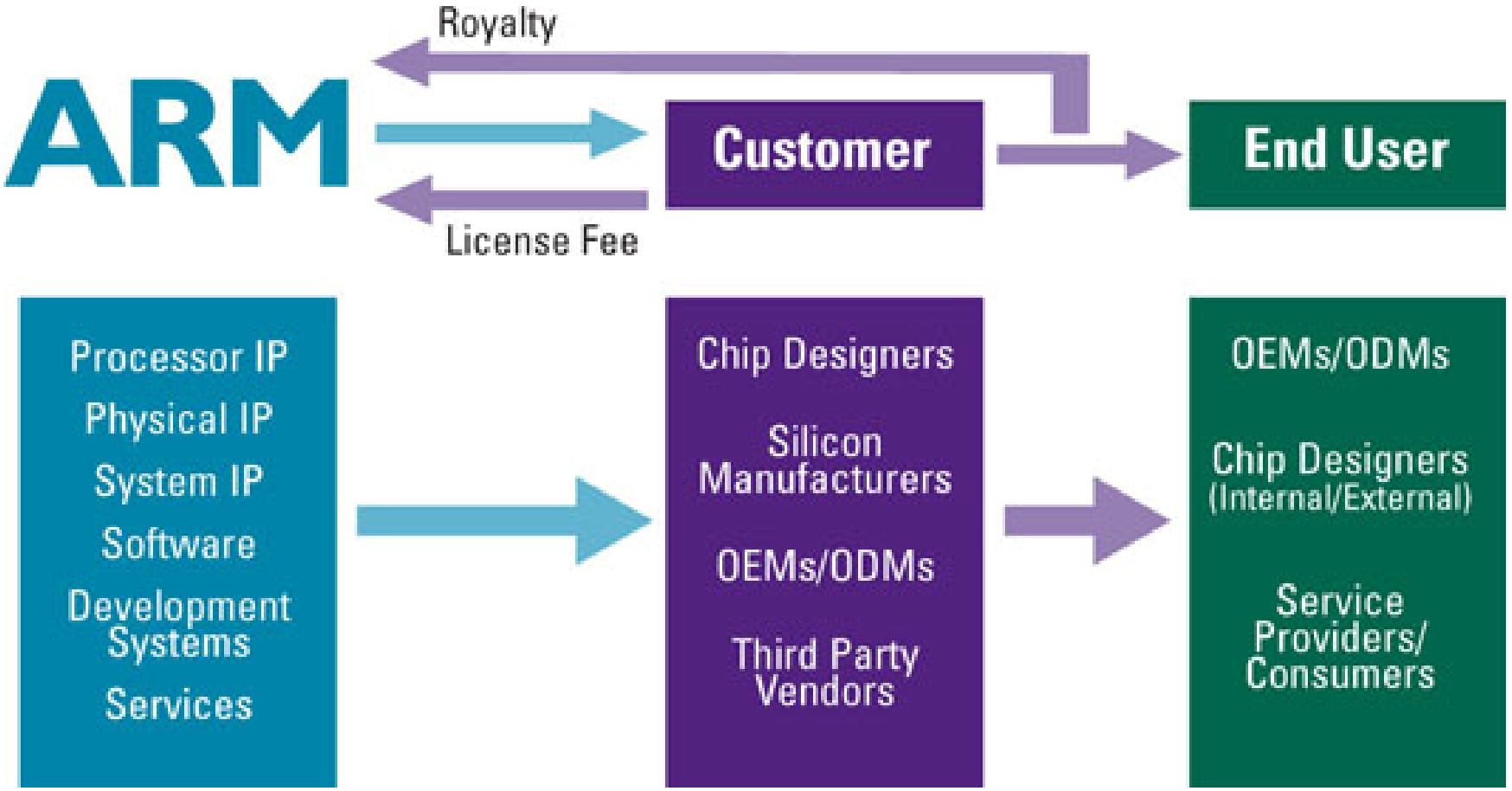
Processors

Data Engines

Fabric

Physical IP

ARM Business Model



Development time line

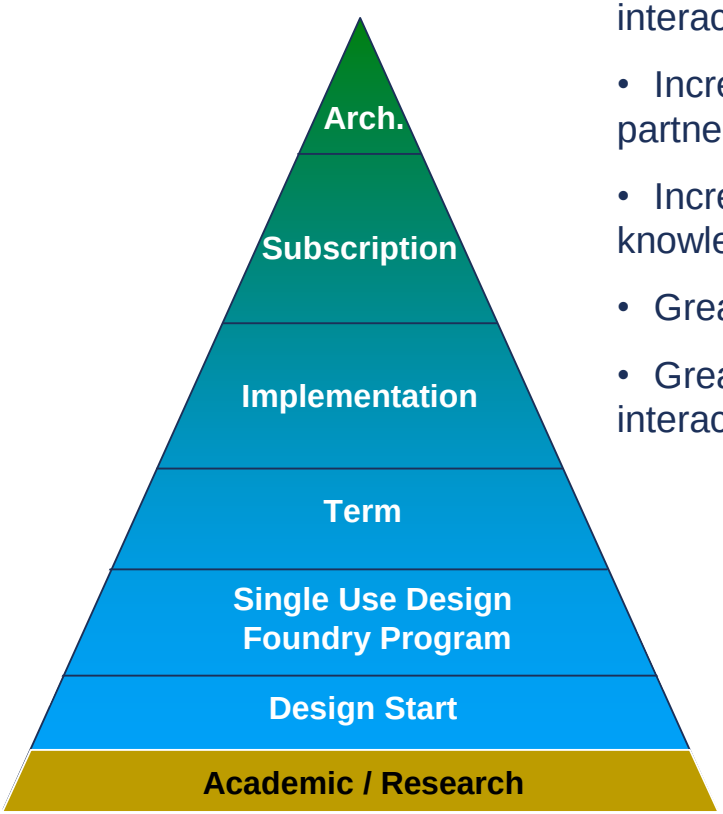
2-3 years

12-18 months

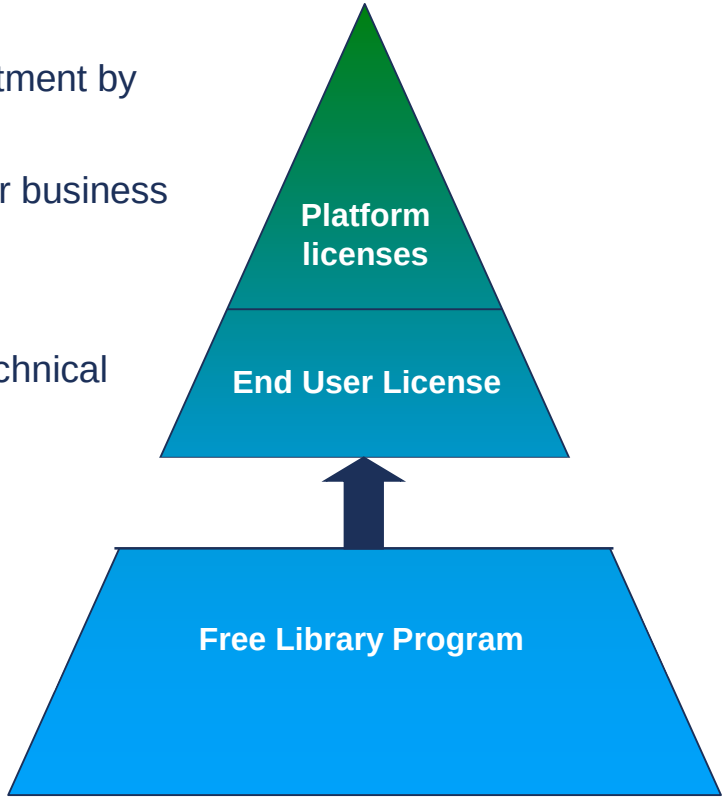
12-18 months

ARM Licensing Models

- Higher license value
- Higher IP value
- Greater commercial / technical interaction
- Increasing internal investment by partner
- Increasing ARM / Partner business knowledge
- Greater flexibility
- Greater commercial / technical interaction



Processors



Physical IP

Business Model

- IP – licence and royalty model
  - Licensing
    - Continuous enhancement of the established base of future royalty generating licences
    - Innovative technology roadmap
  - Royalties
    - Proliferation – one licence>>multiple designs over many years
    - Environment for licensee success - Connected Community
    - Enhanced royalty through additional IP (value) per product

How ARM Drives its Business

Drivers for Future Growth

1. Further penetration of ARM IP into digital products

2. Physical IP outsourcing by integrated device manufactures and fabless semiconductor companies

Target Market Applications

MOBILE SOLUTIONS

- Smart Phone
- Feature Phone
- Voice Phone
- Cordless Phone
- PDAs
- Portable Audio
- Portable Media

HOME SOLUTIONS

- STB
- DTV/HDTV
- DSC/DVC
- DVD
- Tethered Gaming
- Portable Gaming

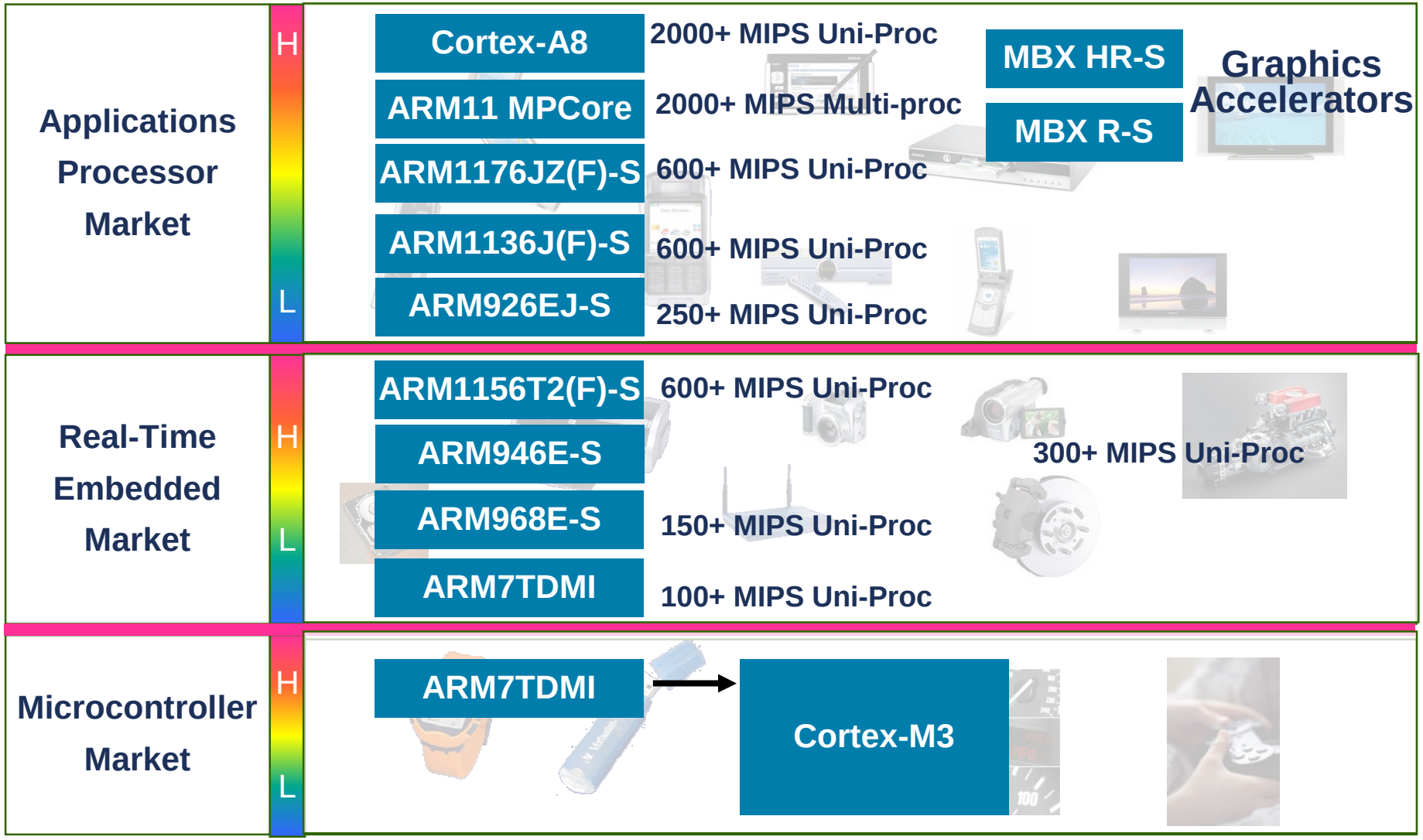
ENTERPRISE SOLUTIONS

- VoIP, V^{2}OIP
- Storage
- Printers
- PC Peripherals
- Wireless Connectivity
- Home Networks
- Enterprise Networks

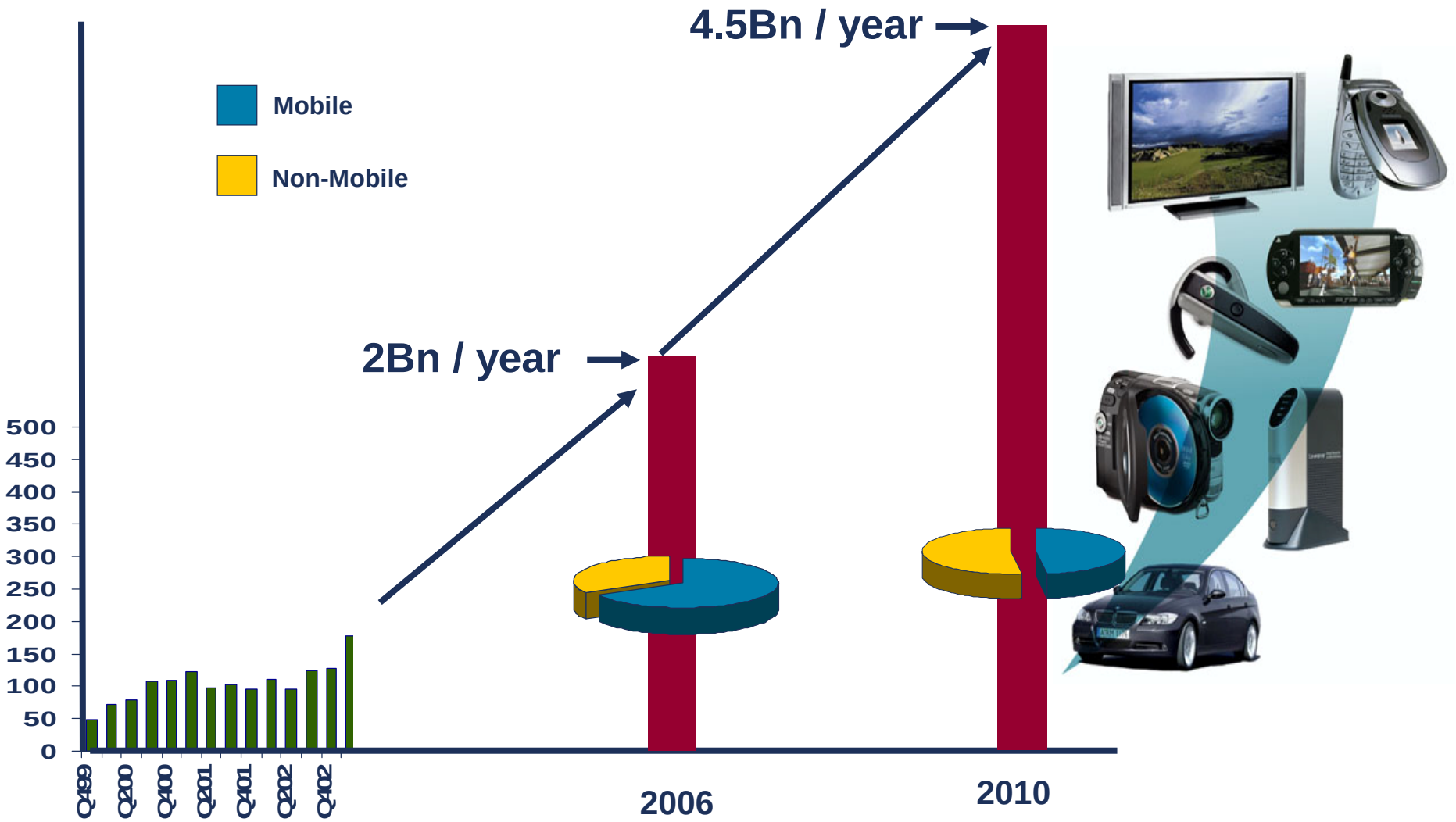
EMBEDDED SOLUTIONS

- Chassis Systems
- ABS
- Powertrain
- Infotainment
- Industrial pdts.
- MCUs
- Smartcards

Processors for All Applications



Driving Momentum: 4.5Bn Units by 2010



Additional SoC Royalty Opportunity

Voice phone

BOM <$50
Cellular network

Feature phone

BOM >$50
Cellular network

Java

brew

Smart phone

Uses OpenOS

Windows Mobile

symbian OS

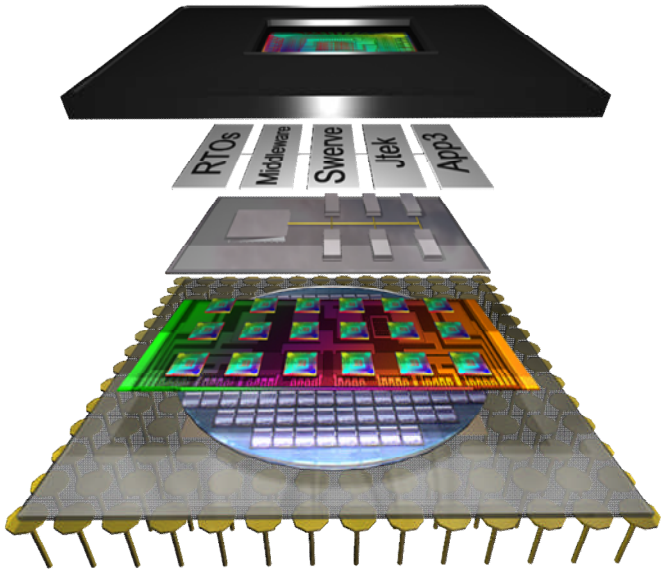
SAVAJE

palm

Linux

Base Business:	ARM Processor
Software:	+ TrustZone™ Security
	+ Swerve Engine & Content
	+ JTEK Media
	+ IEM Battery
Hardware:	+ MBX 3D games
	+ OptimoDE™ algorithmic tasks
Physical IP:	+ Libraries (per wafer)

Total royalty processor plus + items



2. Physical IP outsourcing by integrated device manufactures (IDM) and fabless semiconductor companies

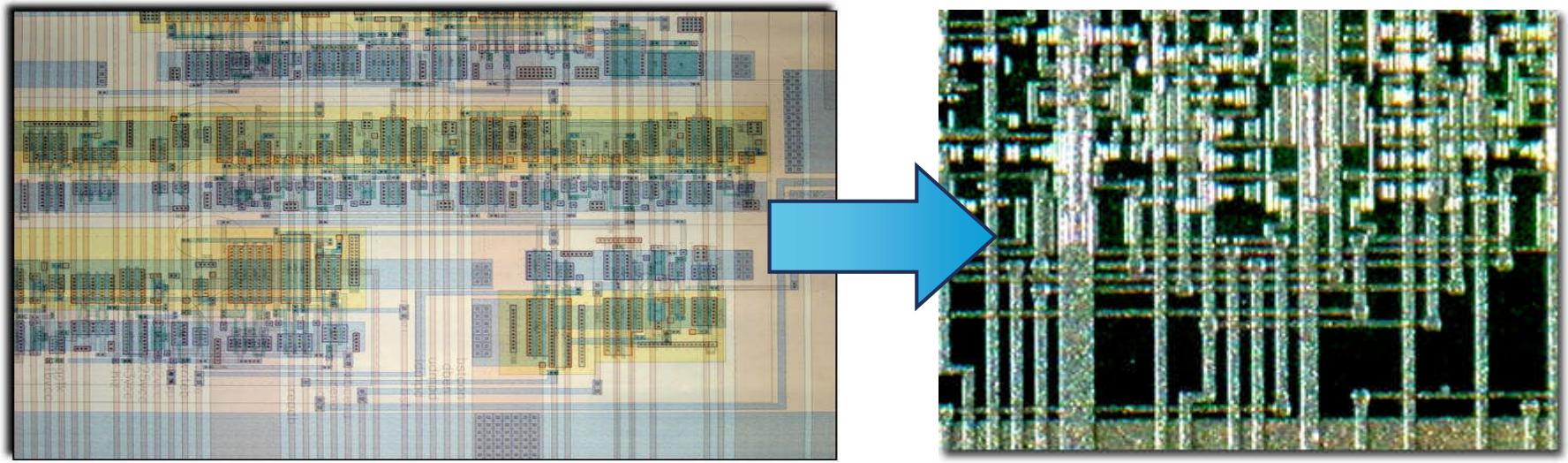
Physical Intellectual Property (IP)

- What is Physical IP?

- Analogous to building blocks
- Creating highly differentiated complexity from standard elements

Physical Intellectual Property (IP)

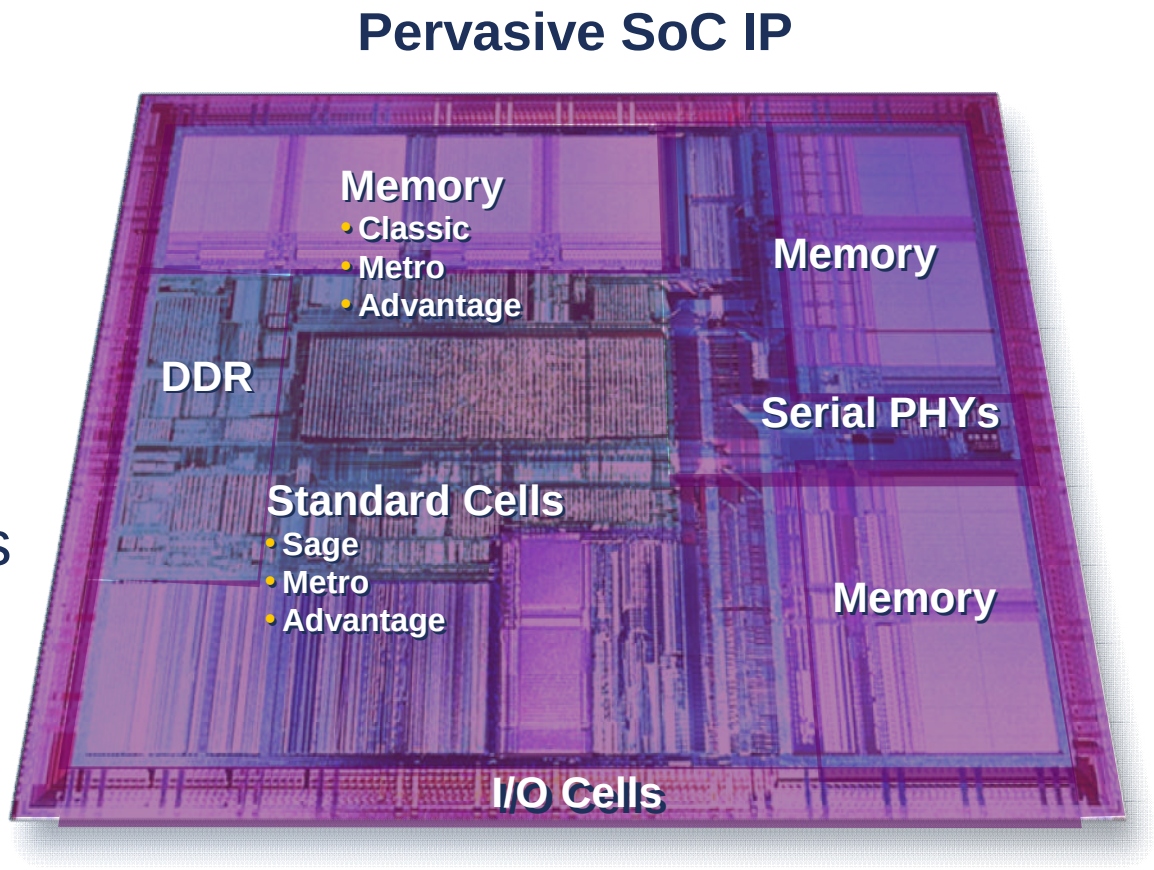
- What is Physical IP?



- Actual geometric patterns for printing integrated circuits
- Defines a chip's performance, power area and yield

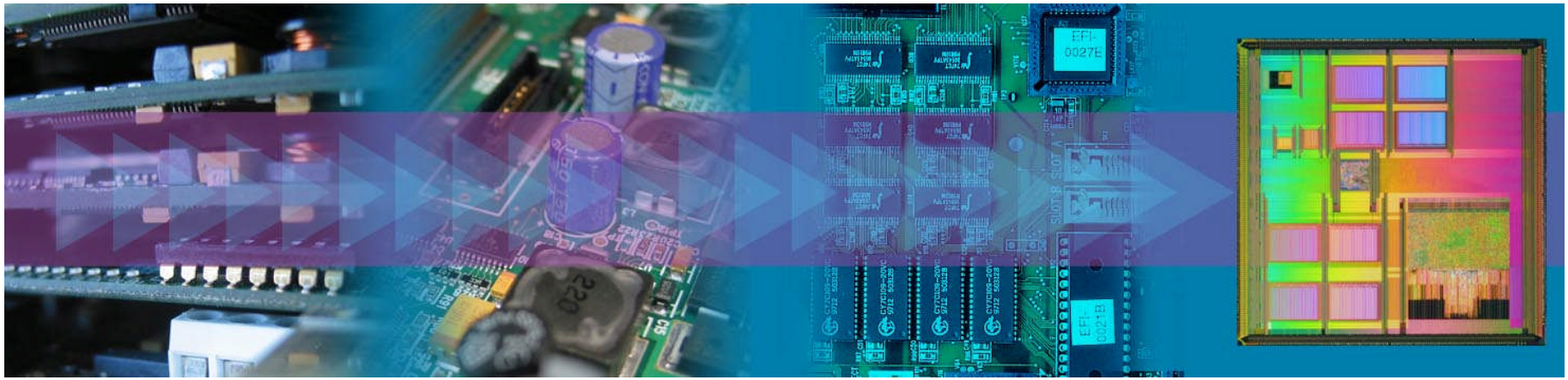
Artisan Physical IP Products

- Library platforms
  - Standard cells
  - Embedded memory
  - I/O functionality
- High-speed interfaces
  - DDR
  - Serial PHYs



Semiconductor Industry – A History of Outsourcing

- Technical progress brings a basis for industry evolution
  - Miniaturization, reductions in chip costs, increases in complexity



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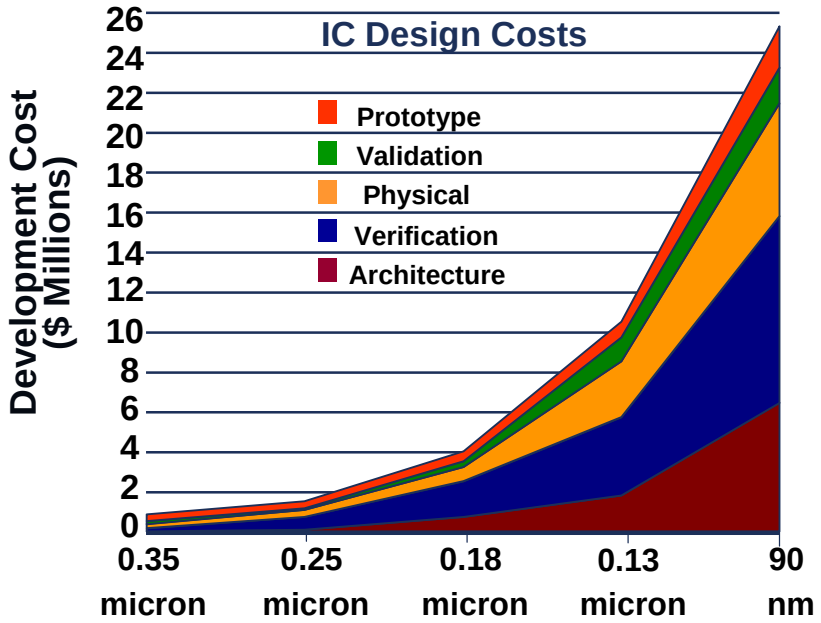
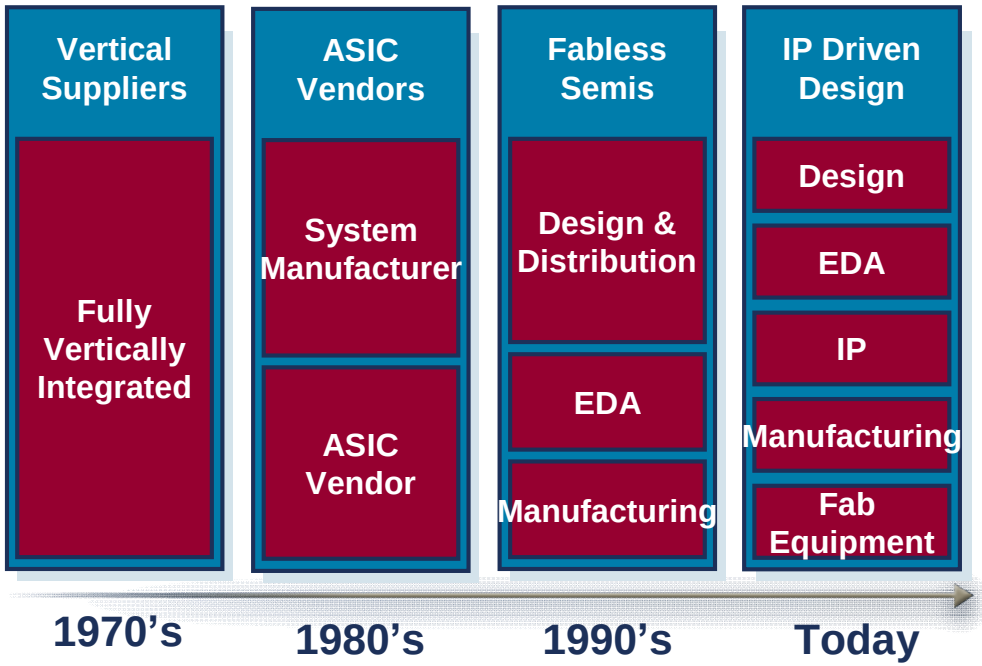
- Rising costs give way to specialisation and outsourcing



Source: International Business Strategies



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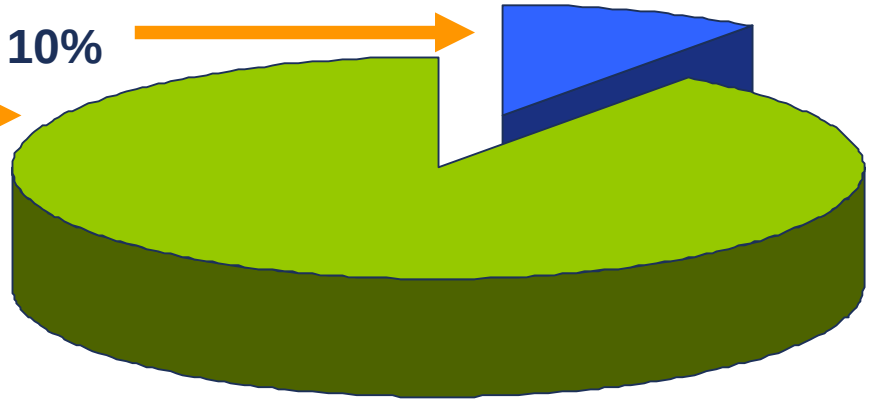
- Today outsourcing of physical IP is constrained to small Fabless Semiconductor Companies

Total Semiconductor Revenue ~ $220B

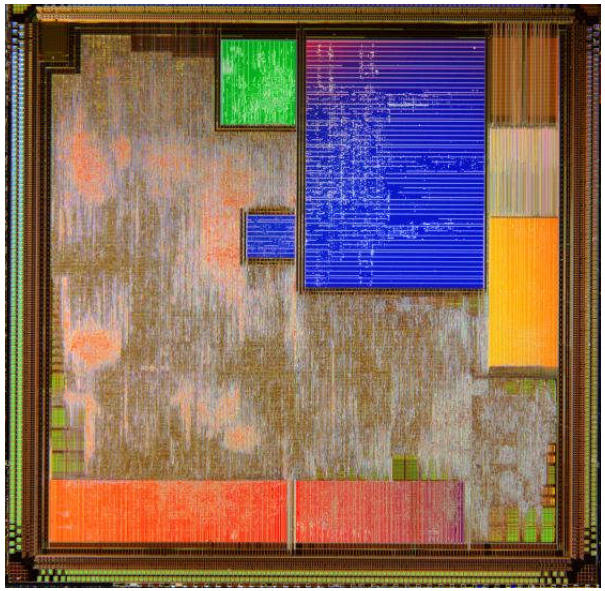
Small Fabless Semicondutor – 10%

Large Fabless/IDM – 90%



Delivering Library IP Value

- Deliver required system performance
  - Lowest power
  - Smallest area
  - Highest yield
- Enable customer choice
  - Library platform choice
  - Design methodology and flow choice
    - Support for all leading EDA flows
  - Manufacturing choice
    - Multiple process technologies at leading manufacturers
- Customer Success
  - Right-first-time silicon
  - High yield ramps to volume



ARM926EJ-S™ Dev Chip
using ARM® library

Understanding ARM

- Many moving parts each quarter

- The Architecture for the Digital World
- Energy (low power), standards, partnership
  - Tools and licensing revenues profitably fuel R&D
  - Royalty dramatically enhances profit
- Stable long-term growth story

Translating into Numbers

Financial Summary

	FY 2005 $m	FY 2004 $m	
Licensing	**187.0**	**167.1**	**+12%**
PD	124.0	104.1	+19%
PIPD (Proforma)	63.0	63.0	0%
Actual	63.0	51.5	+22%
Royalties	**158.7**	**138.7**	**+14%**
PD	131.1	107.1	+22%
PIPD	27.6	31.6	-13%
ex. Catch-up	25.2	25.0	+1%
DevSys	**46.5**	**36.1**	**+29%**
Services	**26.5**	**25.1**	**+6%**
Total Revenue (Proforma)	**418.7**	**367.0**	**+14%**
Actual	418.7	355.5	+18%

2005 Business Highlights

- Financial Highlights
  - Revenues growing faster than the industry
  - Revenue mix generating higher margins
  - EPS up 24%
  - Strong cash flow enables investment in innovation and increasing cash return to shareholders
- Operational Highlights
  - Integration of ARM and Artisan
    - 7 synergy deals
  - Strong year for new technology development
  - 1.7bn ARM Powered products shipped
    - Up 31%
    - Non-mobile up 46%
  - Acquisition of microcontroller tools company

Q4 2005 – Financial Highlights

- Total revenues at £62.9m
  - $109m at $1.73
  - Up 8% on Q3 05
- Gross margin at 91% from 88% in Q3
  - Royalties at 40% of revenues (from 38% in Q3)
  - Lower revenue share licensing in Q4
- Operating margin at 35%
  - 31% in Q3
  - Investment in R&D higher
  - Modest bonuses in 2005
- Backlog flat sequentially
  - PIPD up more than 20%
  - PD backlog to build with Cortex licensing in 2006
- £27m cash returned to shareholders in 2005

Outlook

- 2005 provides good base to build on market leadership
  - Integration of ARM and Artisan
  - Introduction of new processor and physical technology
  - Acquisition of microcontroller tools company
  - Increasing profitability

- Confidence in a strong performance in line with market expectations
  - Cortex products available for general licensing
  - More synergistic revenue
  - Royalty momentum in both PD and PIPD
  - Growth in Development Systems