

ARM Holdings plc
Third Quarter and Nine Months Results – US GAAP
(in thousands except per share data)

	Quarter ended 30 September 2004 Unaudited £'000	Quarter ended 30 September 2003 Unaudited £'000	Nine months ended 30 September 2004 Unaudited £'000	Nine months ended 30 September 2003 Unaudited £'000	Nine months ended 30 September 2004 ⁽¹⁾ Unaudited \$'000
Revenues					
Product revenues	35,904	28,242	100,582	83,261	182,053
Service revenues	3,530	3,486	10,780	10,857	19,512
Total revenues	39,434	31,728	111,362	94,118	201,565
Cost of revenues					
Product costs	(1,538)	(1,264)	(4,177)	(4,089)	(7,560)
Service costs	(1,308)	(1,251)	(3,896)	(3,753)	(7,052)
Total cost of revenues	(2,846)	(2,515)	(8,073)	(7,842)	(14,612)
Gross profit	36,588	29,213	103,289	86,276	186,953
Research and development	(13,004)	(12,711)	(37,459)	(36,735)	(67,801)
Sales and marketing	(6,006)	(5,886)	(17,593)	(16,915)	(31,843)
General and administration	(6,173)	(5,002)	(20,143)	(16,537)	(36,459)
Total operating expenses	(25,183)	(23,599)	(75,195)	(70,187)	(136,103)
Income from operations	11,405	5,614	28,094	16,089	50,850
Interest	1,885	1,228	5,027	3,462	9,099
Minority interest	-	-	-	(105)	-
Income before income tax	13,290	6,842	33,121	19,446	59,949
Provision for income taxes	(3,757)	(2,018)	(9,653)	(5,999)	(17,472)
Net income	9,533	4,824	23,468	13,447	42,477
Net income	9,533	4,824	23,468	13,447	42,477
Other comprehensive income					
Foreign currency adjustments	(116)	189	(238)	(94)	(431)
Unrealized holding gain on available-for-sale securities, net of tax	595	1,950	2,242	2,888	4,058
Total comprehensive income	10,012	6,963	25,472	16,241	46,104
Earnings per share (assuming dilution)					
Shares outstanding ('000)	1,039,329	1,038,088	1,041,174	1,029,093	
Earnings per share – pence	0.9	0.5	2.3	1.3	
Earnings per ADS (assuming dilution)					
ADSs outstanding ('000)	346,443	346,029	347,058	343,031	
Earnings per ADS – cents	5.0	2.3	12.2	6.5	

(1) US dollar amounts have been translated from sterling at the 30 September 2004 closing rate of \$1.81=£1

ARM Holdings plc
Consolidated Balance Sheet-US GAAP

	30 September 2004 Unaudited £'000	31 December 2003 Audited £'000	30 September 2004 ⁽¹⁾ Unaudited \$'000
Assets			
Current assets:			
Cash and cash equivalents	137,491	130,722	248,859
Short-term investments	37,059	29,064	67,077
Accounts receivable, net of allowance of £951,000 in 2004 and £1,115,000 in 2003	20,603	17,320	37,291
Inventory	1,067	931	1,931
Prepaid expenses and other assets	12,201	8,924	22,084
Total current assets	208,421	186,961	377,242
Deferred income taxes	3,815	3,139	6,905
Property and equipment, net	11,819	16,583	21,392
Intangible assets	14,921	10,068	27,007
Investments	9,443	6,246	17,092
Total assets	248,419	222,997	449,638
Liabilities and shareholders' equity			
Accounts payable	2,254	2,691	4,080
Income taxes payable	8,209	3,140	14,858
Personnel taxes	1,060	1,047	1,919
Accrued liabilities	14,392	16,912	26,049
Deferred revenue	12,604	11,132	22,813
Dividends payable	2,857	-	5,171
Total current liabilities	41,376	34,922	74,890
Deferred income taxes	691	-	1,251
Total liabilities	42,067	34,922	76,141
Shareholders' equity			
Ordinary shares	513	512	928
Additional paid in capital	63,691	63,321	115,281
Deferred compensation	(1,093)	(2,499)	(1,978)
Treasury stock, at cost	(7,485)	(7,569)	(13,548)
Retained earnings	148,831	134,419	269,384
Unrealized holding gain on available-for-sale securities, net of tax	4,221	1,979	7,640
Cumulative translation adjustment	(2,326)	(2,088)	(4,210)
Total shareholders' equity	206,352	188,075	373,497
Total liabilities and shareholders' equity	248,419	222,997	449,638

(1) US dollar amounts have been translated from sterling at the 30 September 2004 closing rate of \$1.81=£1

The financial information contained in this announcement does not constitute statutory accounts within the meaning of Section 240 (3) of the Companies Act 1985. Statutory accounts of the Company in respect of the financial year ended 31 December 2003 have been delivered to the Registrar of Companies, upon which the Company's auditors have given a report which was unqualified and did not contain a statement under Section 237(2) or Section 237(3) of that Act.

About ARM

ARM designs the technology that lies at the heart of advanced digital products, from wireless, networking and consumer entertainment solutions to imaging, automotive, security and storage devices. ARM's 16/32-bit RISC microprocessors, data engines, peripherals, software and tools, combined with the company's broad Partner community, provide a total system solution that offers a fast, reliable path to market for leading electronics companies.

ARM, ARM7TDMI Thumb and RealView are registered trademarks of ARM Limited. ARM7, ARM9, ARM926EJ, ARM11, ARM1136, ARM1156T2(F)-S, ARM1176JZ(F)-S, TrustZone, OptimoDE and MPCore are trademarks of ARM Limited. All other brands or product names are the property of their respective holders. ARM refers to ARM Holdings plc (LSE: ARM and Nasdaq: ARMHY) together with its subsidiaries including ARM Limited, ARM Inc., Axys Design Automation Inc., ARM KK, ARM Korea Ltd, ARM Taiwan Ltd, ARM France SAS, ARM Consulting (Shanghai) Co. Ltd. and ARM Belgium NV.

Important Information for Investors and Stockholders

ARM and Artisan have filed a proxy statement/prospectus with the SEC in connection with the proposed transaction between ARM and Artisan. ARM and Artisan urge investors and security holders to read the proxy statement/prospectus and any other relevant documents filed with the SEC because they will contain important information. Investors and security holders will be able to obtain these documents free of charge at the website maintained by the SEC at www.sec.gov. In addition, documents filed with the SEC by ARM are available free of charge by contacting ARM Holdings plc Investor Relations, 110 Fulbourn Road, Cambridge, UK, CB1 9NJ, +44 (0)1223 400400, and on ARM's web site at www.arm.com; documents filed with the SEC by Artisan are available free of charge by contacting Artisan Components, Inc. Investor Relations, 141 Caspian Court, Sunnyvale, California, 94089, (408) 734-5600, on Artisan's web site at www.artisan.com or on the SEC's web site at www.sec.gov. Documents on Artisan's web site are not a part of this press release.

ARM and ARM's directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Artisan in connection with the transaction. A description of the interests of directors and executive officers of ARM is set forth in its Annual Report on Form 20-F for the year ended December 31, 2003, which was filed with the SEC. If and to the extent that any of ARM's directors and executive officers will receive any additional benefits in connection with the transaction that are unknown as of the date of this filing, the details of those benefits will be described in the definitive proxy statement/prospectus. Investors and security holders can obtain additional information regarding the direct and indirect interests of ARM's directors and executive officers in the transaction by reading the definitive proxy statement/prospectus when it becomes available.

Artisan and Artisan's directors and executive officers may be deemed to be participants in the solicitation of proxies from its stockholders in connection with the transaction. A description of the interests of directors and executive officers of Artisan is set forth in the proxy statement for Artisan's 2003 annual meeting of stockholders, which was filed with the SEC on January 27, 2004. Mr. Templeton is expected to enter into an employment agreement with ARM, effective upon the closing of the proposed acquisition, that will be described in the proxy statement/prospectus. Mr. Lanza, Artisan's Chairman, may be deemed to be a participant in the solicitation of proxies of ARM's shareholders in connection with the proposed acquisition. A description of the non-employee director appointment letter similar to that into which Mr. Lanza would enter in upon joining the ARM Board of Directors at the closing of the proposed acquisition is described in ARM's Annual Report on Form 20-F. If and to the extent that any of Artisan's directors and executive officers will receive any additional benefits in connection with the transaction that are unknown as of the date of this filing, the details of those benefits will be described in the definitive proxy statement/prospectus. Investors and security holders can obtain additional information regarding the direct and indirect interests of Artisan's directors and executive officers in the transaction by reading the definitive proxy statement/prospectus when it becomes available.

Cautionary Statement Regarding Forward-Looking Statements

This document contains certain forward-looking statements about ARM and Artisan. 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, Artisan, the management of either such company or the transaction are intended to identify those assertions as forward-looking statements. In making any such statements, the person

making them believes that its expectations are based on reasonable assumptions. However, any such statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected or anticipated. These forward-looking statements are subject to numerous risks and uncertainties. There are various important factors that could cause actual results to differ materially from those in any such forward-looking statements, many of which are beyond the control of ARM and Artisan, including: the impact of general economic conditions in regions in which either such company currently does business, industry conditions, including competition, fluctuations in exchange rates and currency values, capital expenditure requirements, legislative or regulatory requirements, changes in the tax laws, interest rates and access to capital markets, the possibility that the transaction will not close, that the closing may be delayed or that the companies may be required to modify aspects of the transaction to achieve regulatory approval; the reaction of customers of ARM and Artisan to the transaction and economic and political conditions in the U.K., U.S. and elsewhere. The actual results or performance by ARM or Artisan could differ materially from those expressed in, or implied by, these forward-looking statements. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of ARM or Artisan. ARM and Artisan are under no obligation to (and expressly disclaim any such obligation to) update or alter their forward-looking statements whether as a result of new information, future events or otherwise. 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, 2003 including (without limitation) under the captions, "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," which are on file with the Securities and Exchange Commission (the "SEC") and available at the SEC's website at www.sec.gov. For more information and additional risk factors regarding Artisan, see the information under the captions "Factors Affecting Future Operating Results" contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in the Annual Report on Form 10-K for the fiscal year ended September 30, 2003, the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004 filed with the SEC.