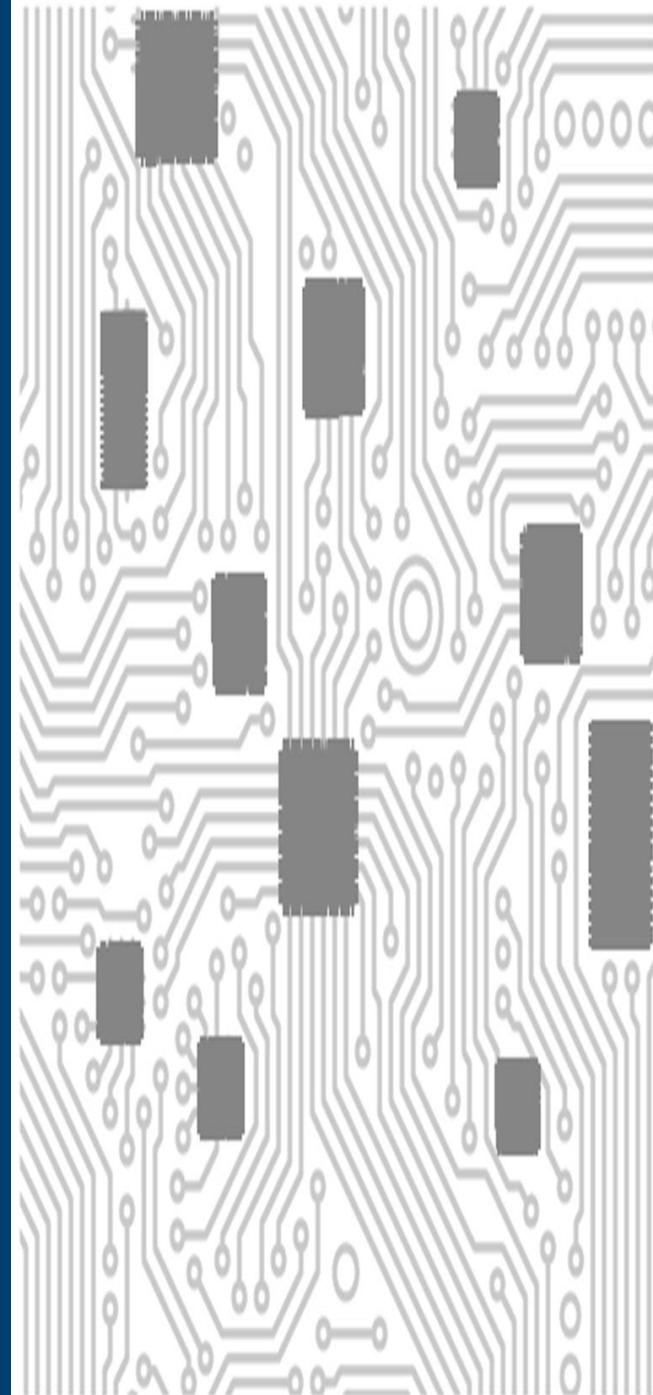


Texas Instruments



Company Briefing



Texas Instruments is a company focused on two of the industry's most attractive semiconductor markets – Analog and Embedded Processing.

For more than 80 years, Texas Instruments Incorporated is one of the world's largest semiconductor companies. We provide innovative semiconductor technologies to help our customers create the world's most advanced electronics. Our analog, embedded processing and wireless technologies permeate daily life in many different ways, from digital communications and entertainment to medical services, automotive systems and wide-ranging applications in between.

From TI's earliest days, the objective has been to use the company's unique technical skills to fundamentally change markets and create entirely new ones. A constant thread throughout our history has been our use of progressively more complex real-time signal processing technology – with advances ranging from the incremental to the revolutionary – to literally and repeatedly change the world.

Quick Facts

34,759 employees
Operates in more than 35 countries
More than 90,000 customers

2011 Sales - \$13.74 B
 ➤ 1 year sales growth - -1.65 %
 ➤ 2010 Net income - \$2.24 B
 ➤ Total Assets - \$20.50 B
 ➤ Market Value - \$37.17 B

Headquarters
 12500 Ti Blvd.
 Dallas, TX 75266-0199,
 United States
Phone: 972-995-3773
Toll Free: 800-336-5236
Fax: 972-927-6377
<http://www.ti.com>

Company Basic Information

D-U-N-S Number	007321904
Location Type	Headquarters
Subsidiary Status	No
Manufacturer	Yes
Company Type	Public
Plant/Facility Size (sq. ft.) (modeled)	17,190
Owns/Rents	Rents
Foreign Trade	Imports/Exports
Accountant	Ernst & Young LLP
2011 Employees (All Sites)	34,759
Employees (This Site)	9,800
1-Year Employee Growth	22.34%
Year of Founding	1930
Primary Industry	Analog Chip Manufacturing

- One of the world's oldest and largest Semiconductor makers
- Texas Instruments (TI) is the market leader in digital signal processors (DSPs) and a leading maker of analog semiconductors, which change real-world signals into the digital data streams processed by DSPs.
- Many wireless phones sold worldwide contain TI's DSPs, which are also found in DVD players, automotive systems, and computer modems. The company's other semiconductor products include logic chips, microprocessors, microcontrollers, and display components. TI also makes calculators.
- Nearly three-quarters of sales come from customers in the Asia/Pacific region.

Competitive Market



- TI jockeys back and forth with European chip giant **STMicroelectronics** to be the world's top maker of analog chips, both companies far outpace other analog rivals.

Major Acquisition

- In 2011 TI looked to take the lead in the analog race when it bought smaller rival **National Semiconductor** for about **\$6.5 billion** in cash.
- Santa Clara-based National Semiconductor is a semiconductor manufacturer, specializing in analog devices and subsystems. The company's products include power management circuits, display drivers, audio and operational amplifiers, communication interface products and data conversion solutions.
- National's 5,000-plus employees will immediately become part of TI. ***The two companies will integrate National as a unit of TI's Analog business, which will have a combined portfolio of nearly 45,000 analog products, customer design tools, and a sales force that is 10 times larger than National's previous footprint.*** Under the name ***Silicon Valley Analog (SVA)***.
- With the closure of the deal, ***TI's says its Analog semiconductor business now represents more than 50 percent of the company's revenue.***



HISTORY:

- Founded in 1930 as a geophysical exploration company that used seismic signal processing technology to search for oil
- Adopted the name Texas Instruments Incorporated in 1951
- Introduced the first commercial silicon transistor in 1954

Fortune 500 Ranking*: No. 175 **2011 ranking based on 2010 revenue*

Global Presence:

Manufacturing, design or sales operations in more than **35 countries** serving more than **90,000 customers** worldwide

Employee Population*: Approximately 34,800 worldwide

Regional Employee Population:

Approximately –

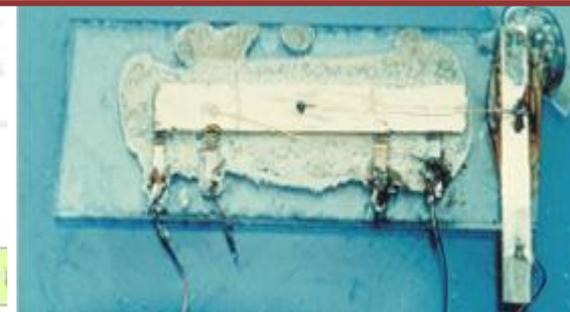
- 16,100 in The Americas
 - 10,100 in Texas
 - 9,100 in North Texas
 - 8,300 in Dallas area
- 13,800 in Asia
- 2,100 in Japan
- 2,800 in Europe

Did You Know . . .

- ✓ TI was the first semiconductor company to go global.
- ✓ TI's analog chips are used in electronics ranging from portable ultrasound equipment to set-top boxes, from eBooks to computer servers, and from robotics to LED streetlights.
- ✓ A single 100-watt light bulb consumes as much power as 60 million MSP430™ microcontrollers.
- ✓ TI has shipped more than 1 billion wireless connectivity chipsets to date.
- ✓ TI's Jack Kilby invented the integrated circuit in 1958.
- ✓ TI invented the handheld calculator in 1967.
- ✓ The use of graphing calculators leads to significantly better student attitudes toward math.
- ✓ DLP® imaging technology is so flexible it can light up a 100-foot movie screen or project an image from a cell phone.
- ✓ TI has won two Emmy® Awards for DLP technology.
- ✓ TI was the first semiconductor company to earn certification from the U.S. Green Building Council for constructing environmentally responsible manufacturing facilities.
- ✓ TI recycled 92 percent of its total waste worldwide in 2011.



50th anniversary of the IC - about the invention



Embedded Processing – consists of digital signal processors (DSPs), ARM®-based microprocessors (ARM MPUs), and microcontrollers (MCUs), including the world's lowest-power MCU, the MSP430 - used in catalog, communications infrastructure and automotive applications.



The worldwide market for embedded processors was about \$18 billion in 2011.

- TI has nearly 20 years of experience in real-time and ultra-low-power technologies working side by side with customers on thousands of applications using TI embedded processing technology.
- Our Embedded Processing segment's revenue in 2011 was about \$2.0 billion, or about 12 percent of the world embedded processors market.
- An important characteristic of our Embedded Processing products is that our customers often invest their own research and development (R&D) to write software that operates on our products. This investment tends to increase the length of our customer relationships because customers prefer to re-use software from one product generation to the next.
- We make and sell catalog Embedded Processing products used in many different applications and custom Embedded Processing products used in specific applications, such as communications infrastructure equipment and automotive.

Wireless – consists of OMAP™ applications processors, connectivity products and basebands for wireless applications, including handsets and tablet computers.



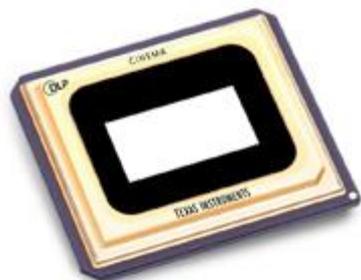
- Growth in the wireless market is being driven by the demand for smartphones, tablet computers and other emerging portable devices.
- **Sales of Wireless products generated about \$2.5 billion, or about 18 percent of our revenue, in 2011, with a majority of those sales to a single customer.**
- Our Wireless investments are concentrated on our **OMAP™ applications processors** and our **connectivity products**, areas we believe offer significant growth opportunities and which will enable us to take advantage of the increasing demand for more powerful and more functional wireless devices.
- **We no longer invest in development of baseband products** (products that allow a cell phone to connect to the cellular network), an area we believe offers far less promising growth prospects. Almost all of our baseband products are sold to a single customer. We expect substantially all of our baseband revenue, which was \$1.1 billion in 2011, to cease by the end of 2012.

- ✓ The widely adopted OMAP 3 and OMAP 4 platforms are the foundation of today's hottest mobile products, and even more enhancements are possible with TI's OMAP 5 platform that was announced in February 2011.
- ✓ TI was the first to combine *Bluetooth*, WiFi™, GPS and FM technologies on a single chip with its WiLink™ 7.0 solution.

With silicon-rich smartphones expected to represent an estimated one third of the total available handset market by 2012, TI will continue to hold a prominent stake in this market.



In addition to our reportable segments, we also have Other. Other includes other operating segments that neither meet the quantitative thresholds for individually reportable segments nor are they aggregated with other operating segments. These operating segments primarily include our smaller semiconductor product lines such as **DLP® products** (primarily used in projectors to create high-definition images), custom semiconductors known as ASICs, and our handheld graphing and scientific calculators.



TI's revolutionary **DLP display technology** uses an optical semiconductor to digitally manipulate light. The highly reliable, all-digital display chip delivers incredible imagery across a broad range of products, including education projectors, business and home entertainment systems Digital Cinema (DLP Cinema®), and mobile projection devices (DLP® Pico™). The DLP chip is also found in embedded applications such as 3D scanning, spectroscopy, machine vision and medical applications. Virtually all leading display electronics manufacturers depend on the technology; since 1996, **TI has shipped more than 25 million systems to more than 75 manufacturers.**

Education Technology

TI's Nspired Learning suite of integrated math and science products empowers teachers and students to make the most of every learning opportunity.

Our research-based graphing technology integrates multimedia content into math and science curriculum, improving student performance and empowering educators to maximize the impact of their lessons.

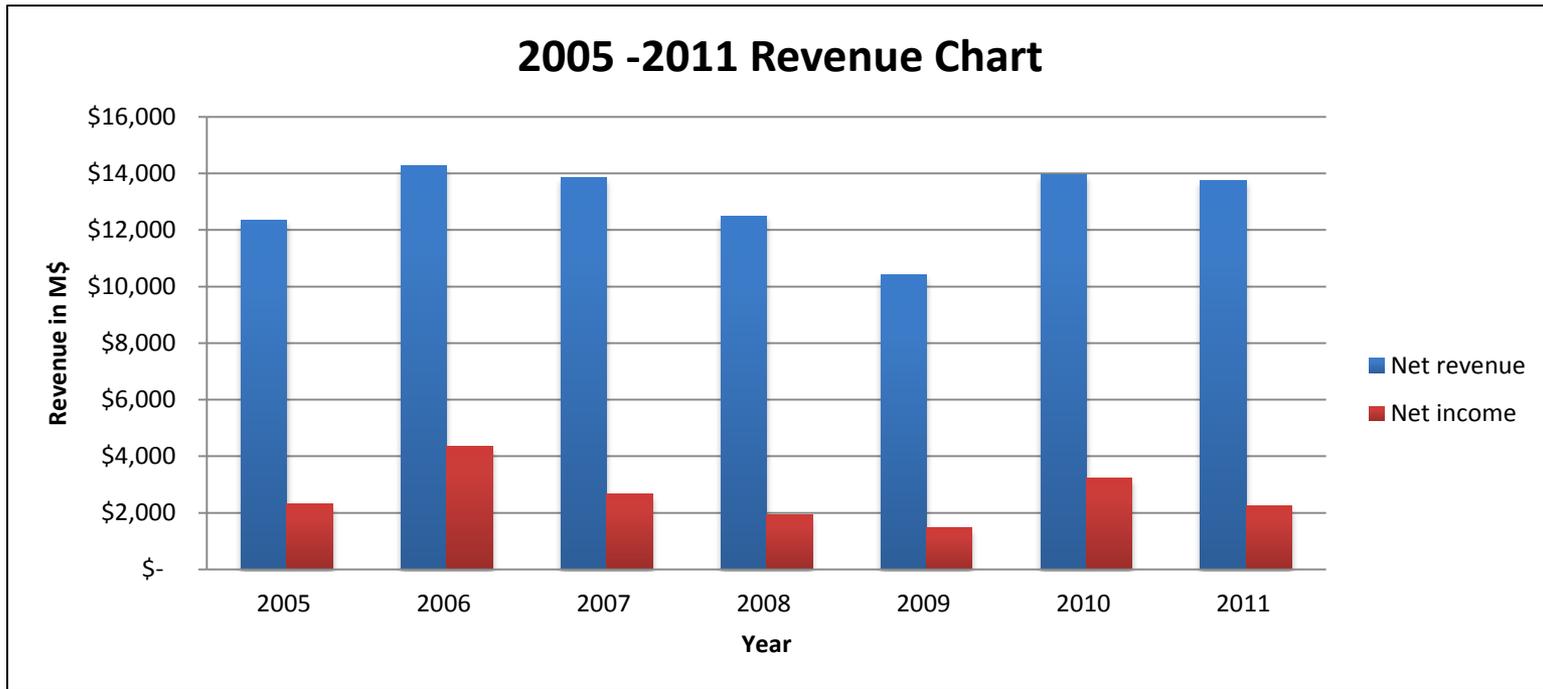


- **Semiconductors**

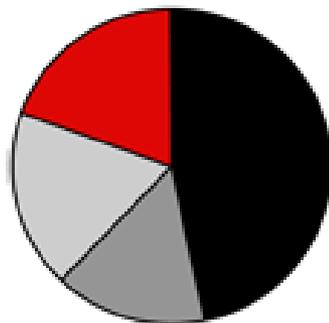
- ASIC
 - Amplifiers & Linear
 - Audio
 - Automotive
 - Broadband RF/IF & Digital Radio
 - Clocks & Timers
 - Data Converters
 - Die/Wafer Solutions
 - DLP & MEMS
 - High-Reliability
 - Interface
 - Logic
 - OMAP Mobile Processors
 - Power Management
 - Processors
 - Digital Signal Processing (DSP)
 - Microcontrollers (MCU)
 - Space Products
 - Standard Linear
 - Storage Products Group
 - Switches & Multiplexers
 - Temperature Sensors & Control ICs
 - Wireless Connectivity
- **DLP® - TV, Projectors, & Cinema**
 - **Calculators & Education Technology**

- **Applications**

- Automotive
- Communications & Telecom
- Computers & Peripherals
- Consumer Electronics
- Energy
- Industrial
- Medical
- Security
- Space, Avionics, & Defense
- Video and Imaging



2011 Revenue Segment-wise



- \$6.4 Analog
- \$2.1 Embedded Processing
- \$2.5 Wireless
- \$2.7 Other

\$ 13.7 Total

(in billions of dollars)

R&D Investments:

- 2011 – \$1.72 B
- 2010 – \$1.57 B
- 2009 - \$1.48 B

R&D expense increased \$145 million, or 9 percent, from 2010 due to the addition of SVA and higher product development costs in our other major Analog product lines, Embedded Processing and Wireless. R&D expense as a percent of revenue was 12.5 percent compared with 11.2 percent in the year-ago period.

Patents:

- TI patents issued worldwide cumulatively: more than 39,000
- 2011 TI patents issued worldwide: more than 1,200



90% of R&D
Investments are
targeted in Analog

As we look to future growth, we continue to make strong investments in **China**, the geographic region we believe most critical to success. We have a large, determined sales and applications engineering team there with offices in 16 cities, four times more than we had six years ago. We've taken a similar approach in **India, Eastern Europe and Russia** – all **emerging markets** with growing middle-class populations that will shape future economies.

Listed below are firms in India with which TI has had formal partner engagements, or which have been verified by TI to have designed software / hardware / IP / systems on TI silicon.

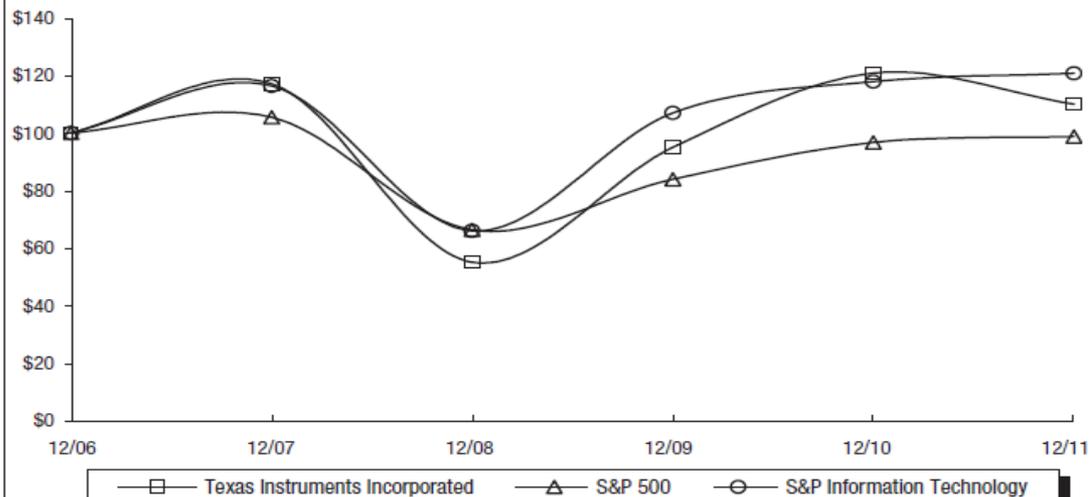
- [Aftek](#)
- [Agent Technologies Software Pvt Ltd.](#)
- [Aplab Ltd.](#)
- [CeWiDus Technologies Pvt. Ltd.](#)
- [Couth Infotech Pvt. Ltd.](#)
- [Cranes Software International Ltd.](#)
- [Danlaw Technologies India Ltd.](#)
- [Dexcel Electronics Designs Ltd.](#)
- [Encore Software Limited](#)
- [Epigon Media Technologies Pvt. Ltd.](#)
- [Esqube Communication Solutions Pvt. Ltd.](#)
- [First Media India Pvt. Ltd.](#)
- [Gill Instruments Pvt. Ltd.](#)
- [HCL Technologies Ltd.](#)
- [i Micro System](#)
- [Indo-Fuji Information Technologies Pvt. Ltd.](#)
- [Interra Systems \(I\) Pvt. Ltd.](#)
- [Ittiam Systems](#)
- [iWave Systems Technologies Private Limited](#)
- [Matrixview Technology India Pvt Limited](#)
- [MindTree Consulting Pvt. Ltd.](#)
- [Mistral Software Pvt. Ltd.](#)
- [Mphasis Technologies](#)
- [MutiTech Software Systems India Pvt. Ltd.](#)
- [NextBiT Computing Pvt. Ltd.](#)
- [PathPartner Technology Consulting Pvt Ltd.](#)
- [Patni Computer Systems](#)
- [Persistent Systems](#)
- [Processor Systems \(India\) Pvt. Ltd.](#)
- [Punjab Communication Limited](#)
- [Sankalp Cybernetics Pvt Ltd.](#)
- [Sankhya Technologies Private Limited](#)
- [Serveen Software Systems \(Pvt.\) Ltd.](#)
- [Soliton Technologies Private Limited](#)
- [Tata Consultancy Services](#)
- [Honeywell](#)
- [Tessolve Services Private Limited](#)
- [TIVR Communications Pvt. Ltd.](#)
- [VINJEY Software Systems \(P\) Ltd.](#)
- [VirtualWire Technologies](#)



Stock Performance

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Texas Instruments Incorporated, the S&P 500 Index, and the S&P Information Technology Index



*\$100 Invested on 12/31/06 in stock or Index, including reinvestment of dividends.
Fiscal year ending December 31.

Competitors :

Company	Revenue	Net Profit Margin
Texas Instruments	\$13.74B	16.28%
QUALCOMM	\$14.96B	27.57%
STMicroelectronics	\$9.74B	6.68%
Freescale Semiconductor	\$3.51B	--
Industry Median	--	1.76%

[TI recognizes 15 companies with annual award for supplier excellence](#)

DALLAS, April 5, 2012 /PRNewswire/ -- Texas Instruments Incorporated (TI) (NASDAQ: TXN) today announced 15 world-class suppliers will receive the company's annual Supplier Excellence Award (SEA) for delivering outstanding service and support. The recipients were selected from among TI's global supplier base of more than 12,000 companies based on a variety of attributes such as cost, environmental responsibility, technology responsiveness, assurance of supply and quality.

[TI introduces industry's first single- and dual-channel, 16- and 24-bit ECG/EEG analog front ends](#)

DALLAS, April 4, 2012 /PRNewswire/ -- Texas Instruments Incorporated (TI) (NASDAQ: TXN) today expanded its award-winning ADS1298 analog front end (AFE) family with five new fully integrated AFEs for portable biopotential measurement applications. The new electrocardiogram (ECG) and electroencephalograph (EEG) AFEs are the first to offer 16- and 24-bit resolution with 1 or 2 channels. The devices cut power consumption by more than 94 percent compared to discrete implementations, while shrinking board space requirements up to 86 percent. These reductions will enable portable medical, sports and fitness equipment that combines long battery life with a form factor that is smaller, lighter and easier to wear.

[TI quiets the noise with innovative 1-A power converter](#)

DALLAS, April 3, 2012 /PRNewswire/ -- Today's noise-sensitive medical, industrial and telecom designs need smooth, quiet power sources to operate at peak performance. Texas Instruments Incorporated (TI) (NASDAQ: TXN) today introduced a new class of voltage regulators designed to deliver the industry's lowest-noise 1-A switching power supply without sacrificing efficiency and power performance. The TPS54120, the first in TI's family of QuietSupply™ regulators, reduces switching noise by up to 99 percent, compared to other power conversion devices, and helps maximize the performance of precision data converters and amplifiers and sensitive clock distribution circuits used in applications, such as telecommunications, test equipment, and high-end audio and video equipment.

[TI unveils integrated power controller for automotive applications](#)

DALLAS, April 2, 2012 /PRNewswire/ -- Texas Instruments Incorporated (TI) (NASDAQ: TXN) today introduced a dual output power supply for automotive applications that ensures stable, uninterrupted output voltages, even in cases where the input voltage drops significantly below the output voltage levels. The start/stop function in many new car models increases fuel economy, but also leads to significant drops in the supply voltage when restarting the engine. The TPS43330-Q1 family remains fully functional during such voltage drops and ensures that applications continue to work without interruption or performance reduction. The devices' ultra-low quiescent current makes the use of a separate standby voltage supply unnecessary, thus reducing system cost and complexity.

Corporate Executive Office



Rich Templeton,
chairman,
president and
chief executive officer

Steve Anderson,
SVP and worldwide
manager,
High-Performance
Analog

Brian Crutcher,
SVP and
general manager,
Embedded
Processing and
Custom

Greg Delagi,
SVP and
general manager,
Wireless Business
Unit

Dave Heacock,
SVP and
manager,
High-Volume
Analog and Logic

Joe Hubach,
SVP,
secretary and
general
counsel

John Szczsponik,
SVP and manager,
Worldwide Sales
and Mktg.

Sami Kiriaki,
SVP and
worldwide
manager,
Power
Management

**Melendy
Lovett,**
SVP
and president,
Education
Technology

**Gregg
Lowe,**
senior vice
president,
Analog

Kevin March,
SVP and chief
financial
officer

Kent Novak,
SVP and
general
manager,
DLP® Products

Kevin Ritchie,
SVP,
Technology &
Manufacturing
Group

Terri West,
SVP and
manager,
Communication
and Investor
Relations



RALPH W. BABB, JR.
Age 63
Director since 2010
Member, Audit Committee



WAYNE R. SANDERS
Age 64
Director since 1997
Member, Governance and Stockholder Relations Committee



DANIEL A. CARP
Age 63
Director since 1997
Member, Governance and Stockholder Relations Committee



RUTH J. SIMMONS
Age 66
Director since 1999
Member, Compensation Committee



CARRIE S. COX
Age 54
Director since 2004
Chair, Compensation Committee



RICHARD K. TEMPLETON
Age 53
Chairman since 2008 and director since 2003



PAMELA H. PATSLEY
Age 55
Director since 2004
Lead Director; Chair, Audit Committee



CHRISTINE TODD WHITMAN
Age 65
Director since 2003
Chair, Governance and Stockholder Relations Committee



ROBERT E. SANCHEZ
Age 46
Director since 2011
Member, Audit Committee

By the end of 2011, the challenges from earlier in the year were abating. The industry was recovering from Japan's natural disasters, semiconductor demand was becoming better aligned with customer demand, and our revenue was starting to improve. We know that great technology companies deliver growth – lots of it. The chips we make are increasingly pervasive in our daily lives, so we believe the opportunity to achieve this goal is within reach. ***Our job now is to transform great potential into great results and to make consistent outperformance the hallmark of our company. And that is our sole priority for 2012.***



THANK YOU

