

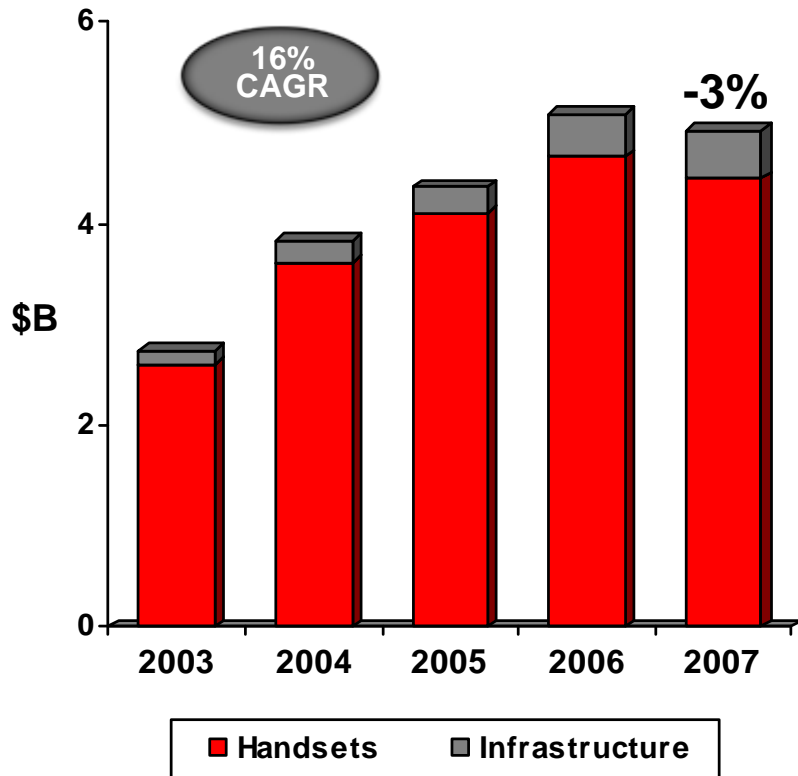
Wireless

Greg Delagi

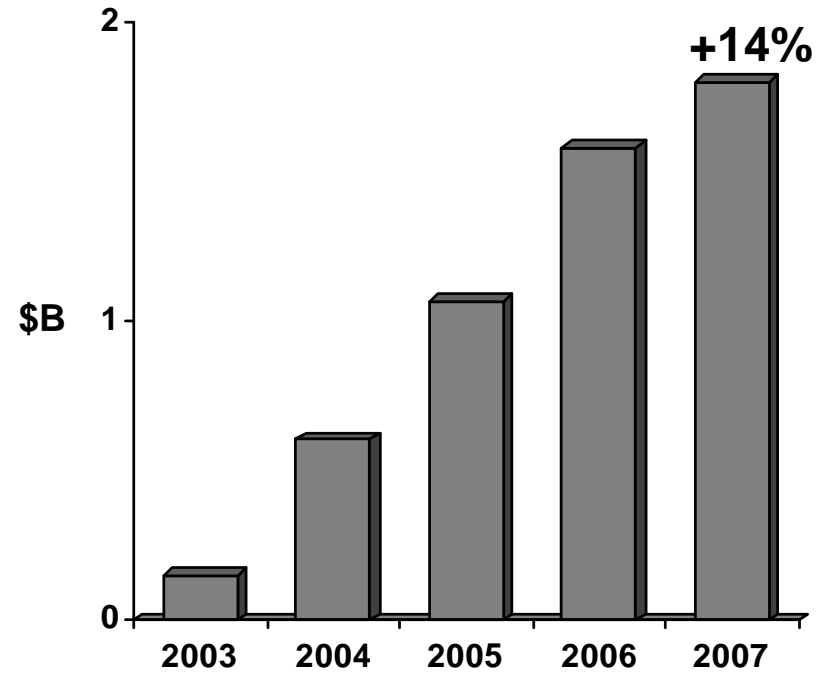
Senior vice president, Wireless

TI wireless performance

Wireless revenue



3G handset revenue* (OMAP™ processors and modems)



*Original updated to reflect a correction in 2003 and 2004.

TI remains strong in changing wireless market

- Winning new designs in multi-supplier environment, including basebands
- Expanding breadth and depth of customer base through OMAP and connectivity wins
- Biggest factors affecting revenue growth through 2009:
 - Program execution by TI and competitors
 - Changes in share among handset manufacturers
 - Mix between low- and high-end handsets
- 2010 and beyond:
 - Today's wins translate into growth and share gains
 - Expect baseband unit share to decline but offset by increased dollar content per phone

Competition

Qualcomm

- Outgrew market in 2007
- Proprietary CDMA declining, headwinds in 4G

NXP/STMicro

- Joint venture enables greater scale
- Integration challenges and product redundancies

Infineon

- Design-in momentum in 2G
- Financials weak, scale challenges for long term

Broadcom

- Spending aggressively, some design-in success
- Much more to spend, remains unproven

MediaTek

- Successful turnkey model in China
- Unproven model outside of China

TI

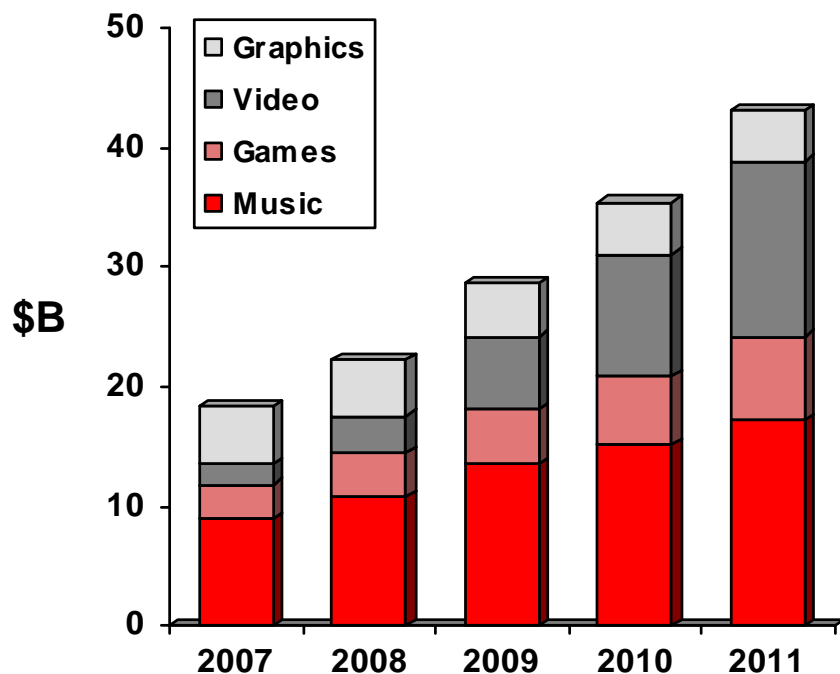
- Lost revenue share in 2007
- Well positioned as market moves to applications and services

Applications will drive market growth

- Smartphone segments represent largest dollar growth opportunity
- Open initiatives become central to industry innovation – sponsored by market leaders and new entrants
- Industry investment will continue to shift to applications and services for differentiation

Big opportunity and investment in mobile applications

Mobile Service Revenue



Mobile service industry revenue growing to >\$40B by 2011

Within the past year:

- European Union endorses DVB-H Mobile TV standard
- Apple launches iPhone
- Nokia announces “Ovi” services and acquires six content-related companies
 - Including Navteq (\$8.1B), Loudeye (\$60M), Twango (\$100M)
- Universal Music announces new content business model “Comes With Music”
- Google launches Open Handset Alliance
 - >30 member companies



Source: iSuppli, 4Q07

3G and smartphones are packed with semiconductor content



Nokia
N95
\$59



RIM
BlackBerry
Curve
\$33

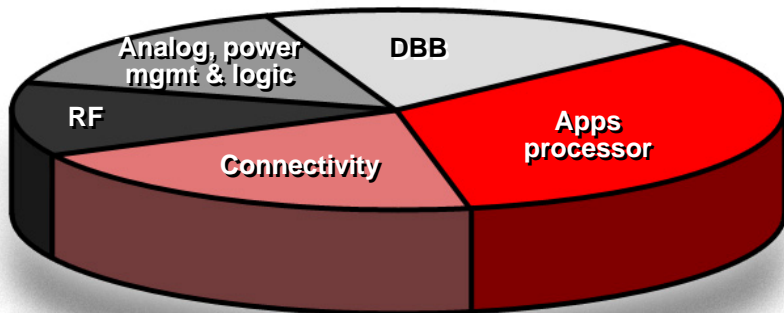


Apple
iPhone
\$43



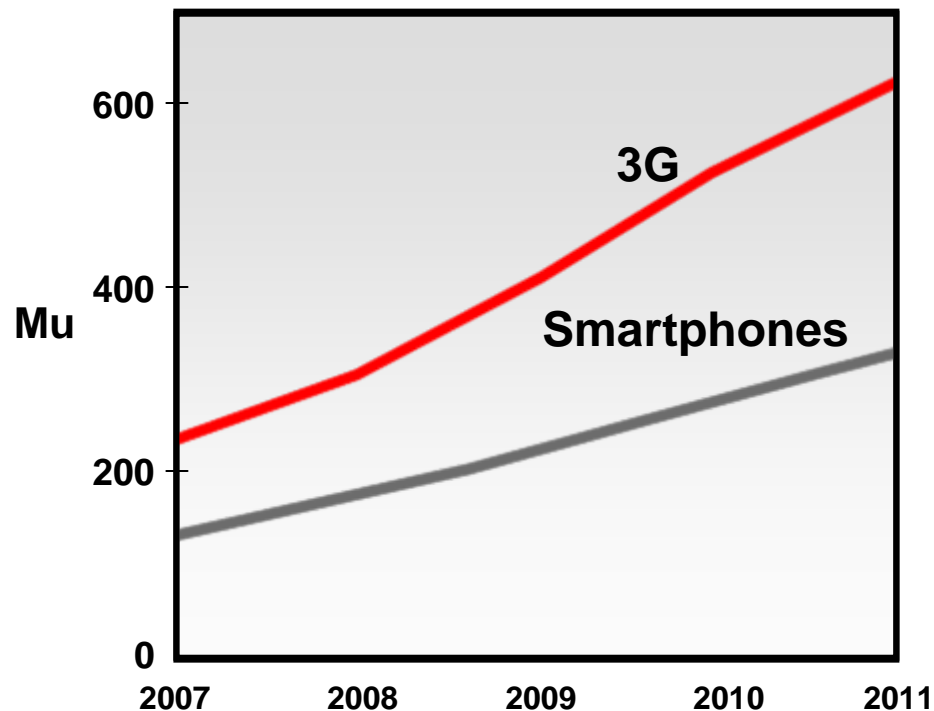
Sony
Ericsson
W900
\$54

Example Semiconductor Content



Source: Portelligent (excluding memory)

Large Opportunity



Source: IDC

**>6x dollar content
vs. entry phones**

Wireless strategy

- Focus on customers and markets where TI can deliver maximum value
- Deliver open, OMAP-based platforms that enable our customers to differentiate with software
- Develop and use our ecosystem to expand into new applications

OMAP platform: unique opportunity for TI



- Proven, widely adopted platform
 - 200M OMAP-based handsets shipped
 - Designed in at all major OEMs



- Supports all high-level operating systems
 - Only supplier with production support for all mobile operating systems today
 - Common platform enables customer R&D efficiency across operating systems



- Advancing the mobile user experience
 - Music, video, pictures, user interface, gaming, location-based services

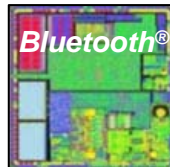


- Open platform driving innovation
 - Low-cost Zoom mobile development kit
 - Thriving ecosystem and Open Source Initiative for Linux developers

Connectivity makes user experience better



Listen to MP3 music from handset through car stereo



Use handsfree in the car



Locate position or identify landmarks

NaviLink 6.0 is the industry's first single chip with A-GPS, Bluetooth®, FM and Ultra-Low Power (ULP)

- Single-chip integration delivers
 - 50% less power
 - 40% board space reduction



- Improved time to first fix
- Optimized radio coexistence
- New use cases and improved user experience

Summary

- Applications and services will differentiate handsets
- TI is uniquely positioned with OMAP platform to enable this trend
- TI is committed to grow and strengthen our wireless position