

Analog @ a Glance



About Analog:

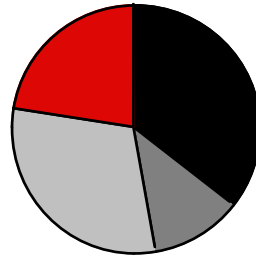
Analog chips are the necessary connection between the real world and the digital world. Almost every electronic device uses some type of analog chip, even in today's digital world.

Over the last decade, our investments in analog – combining acquisitions of several companies and organic growth – are bearing fruit with a larger, better and more profitable product portfolio. Analog represented about 35 percent of the company's 2007 revenue.

Analog's solid profitability, low capital intensity, long product life cycles, and diverse end markets and customer base make it a strong financial opportunity and an increasingly important part of the company. Today, Analog is the primary growth driver inside of TI.

We serve about 80,000 analog customers worldwide with a broad portfolio of leading catalog and custom products.

2007 TI Revenue:



■ \$4.9	Analog*
■ \$1.6	Embedded Processing
■ \$4.2	Wireless
■ \$3.1	Other
\$13.8	Total (in billions of dollars)

**2007 product category revenue is estimated and unaudited. It represents an enhanced financial reporting structure to which TI is in the process of transitioning.*

The Analog Market:

- Analog is one of the largest semiconductor markets, totaling \$36 billion in 2007.
- TI is the world's largest supplier of analog semiconductors with about 13 percent market share in 2007, leaving room for expansion in this highly fragmented market

Analog Strategy:

- Continue to build momentum in high-performance analog
- Accelerate growth in high-volume analog
- Solve customers' design challenges with differentiated products developed in TI's analog process technologies
- Capitalize on strong manufacturing capability

Strategic Advantage:

- TI develops innovative products in highly differentiated analog processes tuned for precision, power, speed and size, enabling us to deliver best-in-class products for better, more energy-efficient electronics.
 - We've increased our analog R&D teams to extend our lead in this area, and added packaging as a key element of technology development.
- Our broad and expanding product portfolio enables us to solve customer challenges across their entire system block diagram. This gives us the opportunity to engage with more customers and supply multiple devices per board.
- We have assembled a world-class pool of talented analog engineers through acquisitions, organic growth, competitive hiring and new hires from leading universities.
- We have the world's largest semiconductor sales force, allowing us to connect with more customers than our competitors across established and emerging markets.
- Most of our products are differentiated, which makes them difficult to copy or imitate.

Analog Management:

Gregg Lowe
SVP, manager of Analog

Steve Anderson
SVP, manager of Power
Management

Art George
SVP, manager of High-
Performance Analog

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

Executive Officers:

Rich Templeton
Chairman, president and
chief executive officer

More information on TI's
other executive officers at
www.ti.com/execofficers

High-Volume Analog & Logic:

- Most products are designed for specific customers, platforms or applications.
- Custom devices focus on defined end equipments like printers, hard disk drives, automobiles, communications and consumer applications, serving large customers with volumes that run in the millions of units per year.
- Recent changes to accelerate revenue growth include repurposing catalog products for specific applications; providing more chips per board for complete solutions; and applying end-equipment knowledge to add value to customers.

High-Performance Analog:

- TI has a broad product portfolio and customer base that covers diverse markets.
 - We serve about 80,000 customers worldwide and have added about 9,000 customers annually over the last three years.
- These are standard, “off the shelf” products sold primarily by distributors into established markets, such as industrial, communications, computer and consumer, and into emerging markets, such as medical and energy.
- Product pricing is stable.