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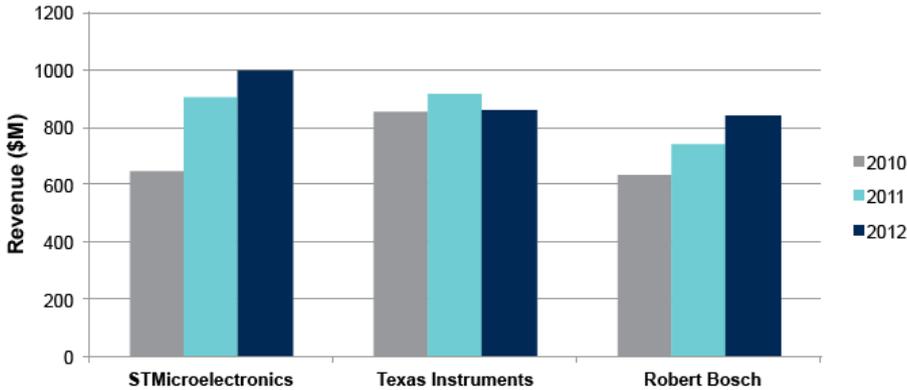
Yole Développement recognizes STMicroelectronics as the first \$1 billion MEMS company

Lyon, France – February 26, 2013 – Yole Développement’s research has credited STMicroelectronics for capitalizing on the booming demand for MEMS in mobile devices by shipping a whopping 58% more MEMS units in 2012 to become the first company to reach \$1 billion in MEMS sales. And that was in a year when the average prices of accelerometers and gyroscopes that are its core MEMS products dropped by 20%-30%.



2010-2012 MEMS revenue evolution for Top 3 MEMS companies

(February 2013, Yole Développement)



	2010	2011	2012	2012/2011 YoY growth (%)
STMicroelectronics	644.2	906.6	1000.2	10.3%
Texas Instruments	856.0	918.5	859.3	-6.4%
Robert Bosch	636.5	738.4	842.0	14.0%

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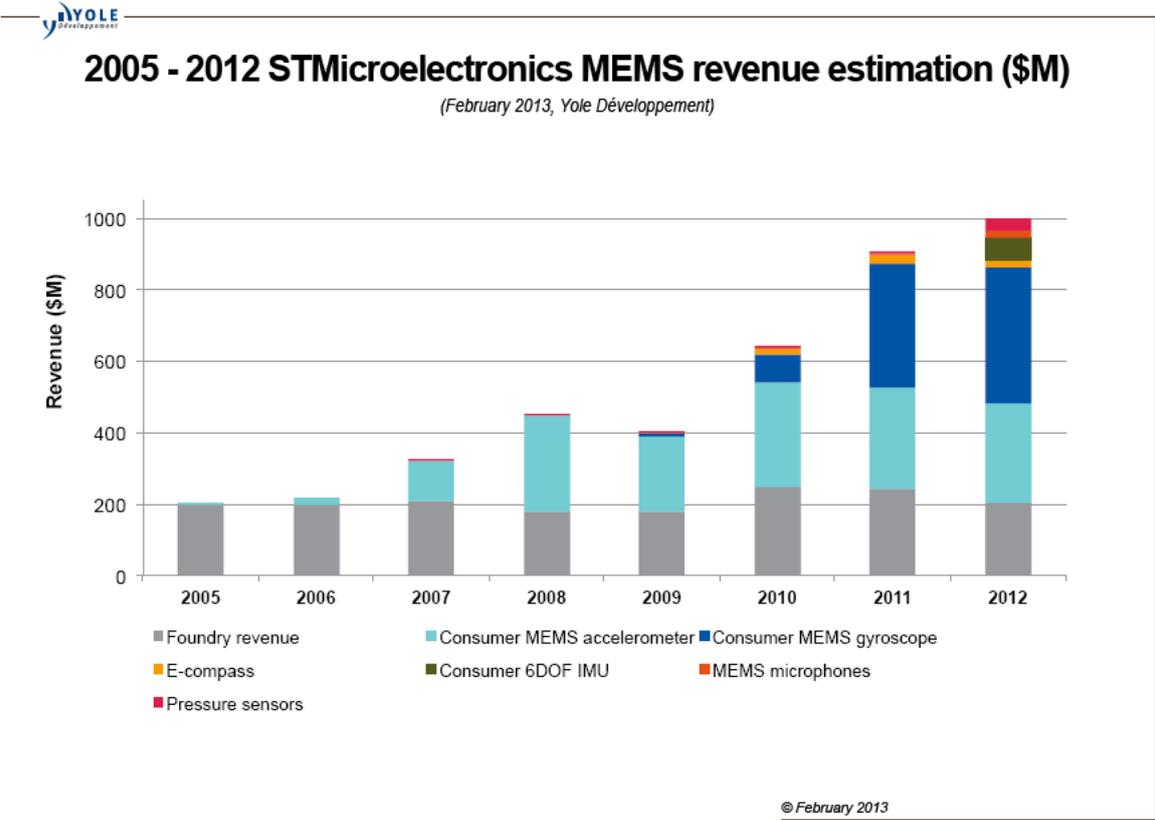
"The company was there and ready with its 8-inch fab when the volume demand started, as well as a large portfolio of products and low prices," notes Laurent Robin, Activity Leader, Inertial MEMS Devices & Technologies at Yole Développement. "They could use a feed-the-fab-strategy to build volumes, and discounts for buyers of multiple devices to meet the price demands of the cell phone makers."

"Even more than Yole Développement’s recognition of ST’s achieving the revenue milestone, we appreciate the endorsement from our customers, across a broad range of applications and segments, of our strategy of being a reliable one-stop MEMS partner," said Benedetto Vigna, Executive Vice President and General Manager of STMicroelectronics Analog, MEMS and Sensors Group. "We remain fully committed to

continuing to meet our customers' expectations and to expanding the role of sensors in ways that augment all of our lives."

The morphing of the MEMS industry into a high volume consumer smart phone business has played to the advantage of big IDMs with their ability to ramp volumes to price aggressively, and to offer customers a wide variety of products from a single source to simplify the supply chain. The inertial sensor business also drove healthy 14% MEMS growth at Robert Bosch, boosting that big IDM's sales close to those of long time industry leader Texas Instruments in a further reshuffling of the top companies lineup. Yole Développement will release its complete listing of the Top 30 MEMS companies early in April.

ST is now churning out some 4 million MEMS devices a day, offering not only inertial sensors but also now consumer pressure sensors, microphones, and e-compasses. The fully-integrated supplier has been able to optimize all steps in the process to wring out costs, from its mature standard manufacturing process for all inertial sensors, to its in-house ASIC design, to its long expertise in common LGA packaging across all products, to its high volume parallel testing developed on commercial equipment with SPEA, to its sales force that can sell and deal on the whole smart phone sensor line. The company has also pushed the manufacturing technology to bring down die size, replacing glass frit with narrower gold bonding frames and replacing big bond pads with smaller TSVs made by etching air gaps around polysilicon vias. And it turned to outside partnerships (microphone technology from Omron) and purchases (magnetometers from Honeywell) to get new products to market faster.



Gyroscopes were ST's leading product, with Yole estimating sales increased by almost 10% to some \$380 million –despite the 30% drop in industry average gyro prices for the year. ST remains the market leader in accelerometers, with some \$280M in sales on a healthy unit volume increase, though the 20%-25% industry average fall in prices limited revenue growth. The company also saw growth in its new products, including its 6-axis IMU with accelerometers and gyros, its e-compass with accelerometers and magnetometers, its MEMS microphone and its consumer pressure sensor.

About Yole Développement

Founded in 1998, Yole Développement has grown to become a group of companies providing marketing, technology and strategy consulting, media in addition to corporate finance services.

With a strong focus on emerging applications using silicon and/or micro manufacturing, Yole Développement group has expanded to include more than 50 associates worldwide covering MEMS, Compound Semiconductors, LED, Image Sensors, Optoelectronics, Microfluidics & Medical, Photovoltaics, Advanced Packaging, Nanomaterials and Power Electronics. The group supports industrial companies, investors and R&D organizations worldwide to help them understand markets and follow technology trends to develop their business.

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- Reverse engineering & costing services
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- Patent analysis

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- Editorial webcasts program
- Six magazines: Micronews - MEMS Trends – 3D Packaging – iLED – Power Dev' - New in 2013: Image Sensors Industry
- Communication & Webcasts services

CONTACTS

For more information about:

- Consulting & Financial Services: Christophe Fitamant (fitamant@yole.fr)
- Reports: David Jourdan (jourdan@yole.fr)
- Media & Communication: Sandrine Leroy (leroy@yole.fr)

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