

STMicroelectronics N.V.

CONSOLIDATED STATEMENTS OF CASH FLOWS

In million of U.S. dollars	Three Months Ende	Nine Months Ended	
	September 27, 2008 (Unaudited)	September 27, 2008 (Unaudited)	September 29, 2007 (Unaudited)
Cash flows from operating activities:			
Net loss	-289	-421	-496
Items to reconcile net income (loss) and cash flows from operating activities			
Depreciation and amortization	343	1,009	1,079
Amortization of discount on convertible debt	4	13	13
Other-than-temporary impairment charge on financial assets	14	82	0
Other non-cash items	62	73	78
Minority interests in net income of subsidiaries	9	12	4
Deferred income tax	-38	-41	-13
(Earnings) loss on equity investments	344	350	-12
Impairment, restructuring charges and other related closure costs, net of cash payments	-4	333	905
Changes in assets and liabilities:			
Trade receivables, net	0	165	-36
Inventories, net	46	-133	9
Trade payables	-42	101	-45
Other assets and liabilities, net	-35	-211	-35
Net cash from operating activities	414	1,332	1,451
Cash flows from investing activities:			
Payment for purchases of tangible assets	-247	-777	-735
Payment for purchases of marketable securities	0	0	-708
Proceeds from sale of marketable securities	127	287	100
Proceeds from matured short-term deposits	0	0	250
Restricted cash for equity investments	0	0	-32
Investment in intangible and financial assets	-27	-68	-64
Payment for business acquisitions, net of cash and cash equivalents acquired	-1,517	-1,687	0
Net cash used in investing activities	-1,664	-2,245	-1,189
Cash flows from financing activities:			
Proceeds from long-term debt	251	387	82
Proceeds from repurchase agreements	249	249	0
Extinguishment of obligations under repurchase agreements	-249	-249	0
Repayment of long-term debt	-13	-64	-112
Capital increase	0	0	2
Repurchase of common stock	-148	-231	0
Dividends paid	-80	-161	-269
Dividends paid to minority interests	0	0	-6
Net cash from (used in) financing activities	10	-69	-303
Effect of changes in exchange rates	-28	-5	32
Net cash decrease	-1,268	-987	-9
Cash and cash equivalents at beginning of the period	2,136	1,855	1,659
Cash and cash equivalents at end of the period	868	868	1,650