

STMicroelectronics N.V.

CONSOLIDATED STATEMENTS OF CASH FLOWS

In million of U.S. dollars	Three Months Ended		
	March 30, 2008 (Unaudited)	Three Months End December 31, 2007 (Unaudited)	Three Months Ended March 31, 2007 (Unaudited)
Cash flows from operating activities:			
Net income (loss)	-84	20	74
Items to reconcile net income (loss) and cash flows from operating activities			
Depreciation and amortization	341	334	398
Amortization of discount on convertible debt	4	5	4
Other-than-temporary impairment charge on financial assets	29	46	0
Other non-cash items	21	31	22
Minority interests	1	1	1
Deferred income tax	29	-135	-7
(Earnings) loss on equity investments	0	-2	-7
Impairment, restructuring charges and other related closure costs, net of cash payment	167	268	-7
Changes in assets and liabilities:			
Trade receivables, net	96	38	100
Inventories, net	-142	15	-30
Trade payables	86	64	-34
Other assets and liabilities, net	-46	52	-38
Net cash from operating activities	502	737	476
Cash flows from investing activities:			
Payment for purchases of tangible assets	-258	-405	-285
Payment for purchases of marketable securities	0	0	-445
Proceeds from sale of marketable securities	0	1	0
Proceeds from matured short-term deposits	0	0	250
Restricted cash	0	0	-32
Investment in intangible and financial assets	-25	-144	-19
Payment for business acquisitions, net of cash and cash equivalents acquired	-170	0	0
Net cash used in investing activities	-453	-548	-531
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	136	20	1
Repayment of long-term debt	-7	-13	-34
Capital increase	0	0	1
Net cash from (used in) financing activities	129	7	-32
Effect of changes in exchange rates	27	9	-1
Net cash increase (decrease)	205	205	-88
Cash and cash equivalents at beginning of the period	1,855	1,650	1,659
Cash and cash equivalents at end of the period	2,060	1,855	1,571