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STMicroelectronics and Changan Automobile Form Partnership to Better Address the Chinese Market

Beijing, China, May 28, 2014 – STMicroelectronics (NYSE: STM), a global semiconductor leader serving customers across the spectrum of electronics applications and a leading supplier of automotive electronics, together with Changan Automobile, pioneer of China's modern industry, announced a strategic partnership with the setup of the Changan - ST Automotive Electronic Joint Laboratory (the “Joint Lab”) at the premises of Changan Automotive Engineering, Global Research Institute.

The partnership aims to extend the cooperation of the two companies in automotive electronics, focusing on research and development in body, infotainment, powertrain, and safety applications to meet the demand of the local automotive electronics market. ST will also provide Changan Automobile with state-of-the-art automotive semiconductor solutions and products, together with technical support and employee training.

An Executive Committee and a Technical Committee will manage the operation and guide the research and development activities of the Joint Lab. ST will form an Expert Panel to provide training and support, as well as engage in the R&D activities of the Joint Lab and equip the lab with software tools and hardware equipment, including semiconductor solution kits, demo boards, and samples to address a broad range of automotive applications including Engine Management Systems, airbags, and Braking Management Systems.

ST provides a broad range of products for automotive applications, such as MCUs, power ICs, and dedicated chips. Throughout their long-term cooperation, ST and Changan have demonstrated an effective and proven approach to cooperation resulting in a number of achievements. These include formation of the library of automotive-grade, Changan-certified chips for enhanced system reliability and robustness, paving the way for Changan’s advanced research and development, and commercialization of new technologies through creating HW/SW platforms for car Body Control Modules.

With the setup of the Joint Lab, the cooperation will extend from current projects mainly on body application to cover other key subsystems in the car, including powertrain, safety, and infotainment. In addition, ST will join Changan Automobile in developing

industry standards and providing advice, tailoring its IC designs to Chinese national standards, as well as in seeking more efficient and flexible business models.

“STMicroelectronics has demonstrated its competence in semiconductor products and technologies in Asia, and China in particular, as well as around the world. They have shown us their innovative technologies and business solutions,” said Li Wei, Assistant General Manager, Changan Automobile and EVP, Changan Automotive Engineering, Global Research Institute. “The two companies have signed an agreement to establish the Joint Laboratory enabling an extended cooperation in terms of cost efficiency, technologies etc. I believe this Joint Lab will kick off a new opportunity of strengthened cooperation for Changan and STMicroelectronics, providing a broader platform of extensive exchanges and facilitating Changan’s own innovation and development of smarter cars. I believe we are opening a new chapter of cooperation for both companies. ”

“The extended cooperation with Changan, one of the pioneers of China’s modern industry, will help us better leverage the high potential of the automotive market in China, as well as the Greater China & South Asia region as a whole. The market and the consumers are increasingly asking for better fuel efficiency, safety, comfort, and infotainment, and we are bringing all the right ingredients to this joint initiative: leading-edge technologies and products, expertise, and total commitment to Automotive,” said Francois Guibert, Executive Vice President and President of Greater China and South Asia Region, STMicroelectronics.

About Changan Automobile

Changan Automobile is a subsidiary of China Weaponry Equipment who can trace its origin back to 1862 and is one of the pioneers of China’s modern industry. Changan started its footprints in the automobile industry in 1984, and since then the Company has been among top tier Chinese automobile brands with market share and R&D capabilities. Today its assets total RMB 103.3 billion yuan and it has over 80,000 employees.

Changan Automobile has set up 8 large manufacturing bases in Chongqing, Beijing, Jiangsu, Hebei, Zhejiang, Jiangxi, Anhui and Guangdong. The Company produces and sells 2.20 million units annually. Over the years, Changan Automobile has been among the Top 500 National Industrial Enterprises, Top 100 Manufacturing Enterprises and Top 20 Listed Companies in China. It ranks number 1 in the Top 50 Industrial Enterprises of Chongqing Municipality.

About STMicroelectronics

ST is a global leader in the semiconductor market serving customers across the spectrum of sense and power and automotive products and embedded processing solutions. From energy management and savings to trust and data security, from healthcare and wellness to smart consumer devices, in the home, car and office, at

work and at play, ST is found everywhere microelectronics make a positive and innovative contribution to people's life. By getting more from technology to get more from life, ST stands for life.augmented.

In 2013, the Company's net revenues were \$8.08 billion. Further information on ST can be found at www.st.com.

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