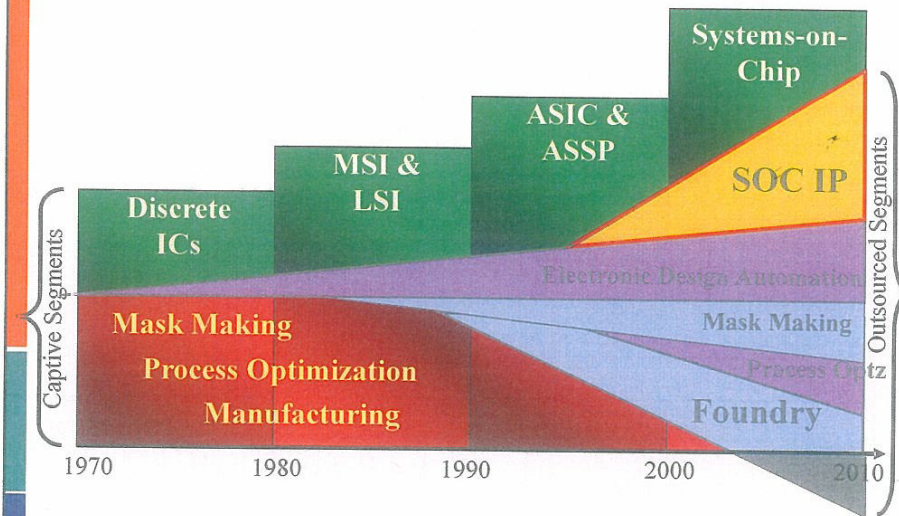


- The Industry, and market position
- The Company
- R&D / Investment policies
- Challenges ahead

CHIPIDEA Desintegration, specialization, globalization





Design IP, Total Design IP blocks, 2005 and 2006

Rank	Company	2005	2006	Growth	Share	Cumulative share
1	UK ARM	320.1	376.5	18%	31%	31%
2	Synopsys	81.2	91.0	12%	7%	38%
3	MIPS Technologies	58.7	76.2	30%	6%	44%
4	Virage Logic	45.0	56.1	25%	5%	49%
5	UK Imagination Technologies	29.2	38.8	33%	3%	52%
6	Silicon Image	18.5	32.8	77%	3%	55%
7	Ceva	33.1	32.0	-3%	3%	57%
8	PT Chipidea	24.5	31.4	28%	3%	60%
9	RAMBUS	27.7	30.7	11%	2%	62%
10	Tensilica	20.9	27.4	31%	2%	65%
11	Mentor Graphics	22.2	22.2	0%	2%	66%
12	DE Sci-Worx	18.6	21.9	17%	2%	68%
13	Faraday Technology	13.7	21.0	53%	2%	70%
14	UK ARC International	15.4	20.6	33%	2%	72%
15	Verisilicon	1.0	18.4	1742%	1%	73%
16	Motorola	25.0	18.0	-28%	1%	74%
17	IBM	14.5	18.6	14%	1%	76%
18	Monolithic System Technology	12.3	15.9	29%	1%	77%
19	Sarnoff	13.9	15.5	11%	1%	78%
20	Sonics, Inc.	11.2	14.6	30%	1%	80%

Source: Gartner worldwide market survey, May 2007

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Chipidea at a glance



Founded in Portugal, in 1997. VC backed



>\$26M in revenue in 2006; >47% CAGR since 1997; 260+ engineers



Worldwide Market Leader in Analog & Mixed Signal IP Market



Since 2002, one of the "500 fastest growing European Companies"



Multinational Company, present in 9 Countries, headquarters in Lisbon



13 Sales Offices and 8 Engineering Centres



The broadest, state-of-the-art analog, mixed-signal, and RF technology portfolio in the world



Customers are worldwide leaders in communications, multimedia and consumer electronics

**World's LARGEST, non-captive
analog mixed-signal and RF
Engineering organization**

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Chipidea in the World: Engineering



1997

Lisbon / PORTUGAL

- IP Design: Data Conversion, Audio, Power Management and Wireless IP System Solutions
- Information & Design Support Systems
- Test and Characterization

2001

Gdansk / POLAND

- IP Design : Line Transceivers

Porto / PORTUGAL

- Digital Design Center
- IP Design Connectivity Solutions

2002

Macau / CHINA

- IP Design: Converters, Audio and Video Codecs, Power Management

2004

Leuven / BELGIUM

- Audio & Power Management System Applications

Suzhou / CHINA

- Digital Design, RF IP Design

2007

Caen / FRANCE

- RF IP Design

Trondheim / NORWAY

- Data Converters IP Design

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Chipidea in the World: Sales & Marketing



2006

US North Region – CA, Campbell - IP Sales

South Korea - IP Sales

USA - Carlsbad/CA – FAE IP

Worldwide - CA Campbell-IP Sales

2005

US West Coast Region – IP sales

BELGIUM Leuven – Audio & Power Product Marketing and IP sales

ASIA / PACIFIC - China/Taiwan - IP Sales

JAPAN/ Tokyo - Representant

Central and Northern Europe - Paris / France - IP New Business

2003

US Central Region and South California - Austin Texas - IP Sales

ASIA / PACIFIC China / Suzhou - IP Sales

2002

US Eastern Region and Canada - Newark / New Jersey - IP Sales

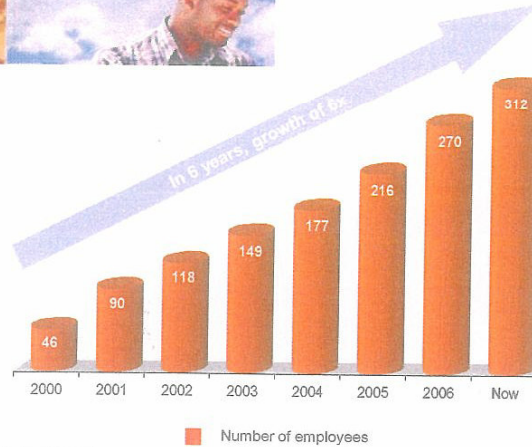
Southern Europe, UK, Ireland and Israel - Paris / France and Israel / Tel Aviv - IP Sales

1997

WORLD – Portugal / Lisbon- IP

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Chipidea in the World: Human Capital

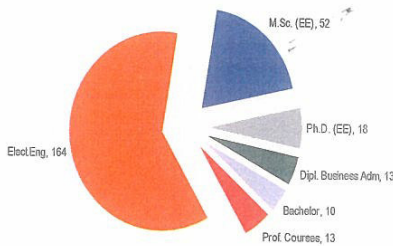


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Chipidea in the World: Human Capital

- > 95% University degrees
- >90% new jobs for young graduates
- New professions created in Portugal, Poland and Macau
- > 85% youth rate (<35 years old)
- 80% in Europe, 15% in China
- Student-centric relationships with Universities
 - ▶ Sponsorship of PhD and MSc programs and "final year projects"

World Academic Background split



Source: Internal Research

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R&D / Investment policies

- The University years (1986-1996)
 - Intense participation in EU framework programs (Esprit and IST)
 - Direct R&D projects with European companies
 - Insignificant participation in national R&D programs
 - Funding channels
 - Capability build-up
 - International networking
 - Credibility and recognition which were key to open the doors of the business world
- The Company years (1997-today)
 - No participation in European framework programs
 - No participation in national R&D programs
 - Occasional participation in CERN / ESA projects
 - No R&D cooperation with Universities, but strong student-centric activities

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Challenges ahead

- 550 engineering organization by 2010
- Tap worldwide sources of engineering talent
- Consolidate worldwide operations within reasonably numbered geographies
- Attract to Portugal and Europe non-European nationalities to complement insufficient European engineering resources and resist (inevitable?) Asia-centric delocalization
- Maintain advanced state-of-the-art capabilities and compete with fast growing capabilities emerging in India and China

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Thank you!