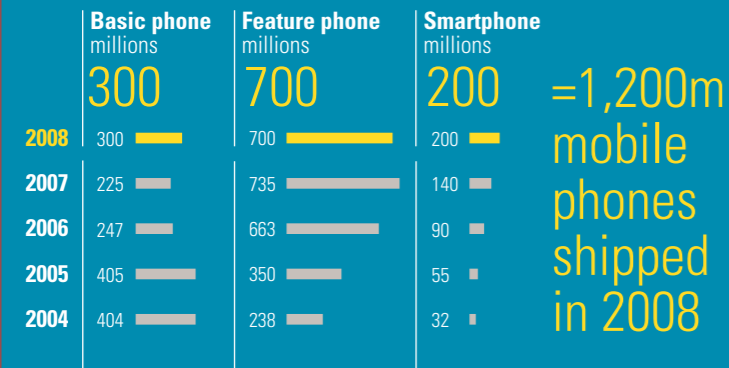


Mobile: Increasing value per handset

1 | How many mobiles shipped in 2008?



There was at least one ARM Powered chip in more than 95% of mobile phones sold in 2008

	a Mobiles shipped in 2008	b Average number of chips	c Total available market for ARM Powered chips	d Shipments of ARM Powered chips
Smartphone	200m	4	800m	650m
Feature phone	700m	2	1,400m	1,200m
Basic phone	300m	1	300m	285m

a 200m smartphones were shipped in 2008

b Each smartphone contains four processors on average:
• Baseband processor
• Applications processor
• Bluetooth • Wi-Fi

c The total available market for ARM-based chips is 200m x 4 = 800m

d ARM shipped 650m chips into smartphones – a market share of 80%

2 | How many ARM Powered chips were in mobile phones in 2008?

+ 35%
ARM in mobile devices grew 35% in 2008

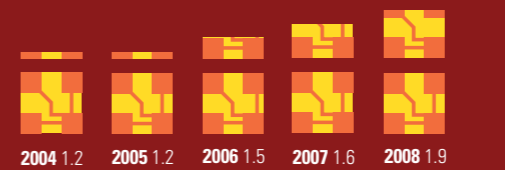
- Smartphone**
 - Voice-calls, text
 - Photos, music, internet and email
 - Large colour display
 - Touchscreen
- Feature phone**
 - Voice-calls and text
 - Photos and music
 - Colour display
 - May have touchscreen
- Basic phone**
 - Voice-calls and text
 - Simple display

ARM is getting more royalty revenue per mobile phone as:

• The average number of chips per mobile phone is increasing in all phones

• Consumers are choosing smarter mobile phones with higher value chips

Average number of chips per phone is increasing
Average number of ARM Powered chips per mobile phone:



Smarter phones deliver more royalty revenue
ARM typically gets about six times more royalty revenue from a smartphone than from a basic phone.

Chip function	Smart	Feature	Basic
Applications processor	\$\$\$	\$	
Baseband processor	\$\$	\$	\$
Wi-Fi/Bluetooth	\$	\$	

\$ represents a unit of royalty.

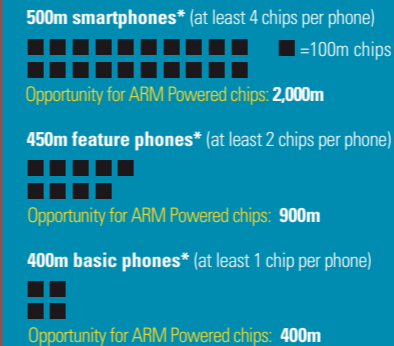
ARM value per phone* is increasing:

- Although phone prices are falling
- ARM average royalty revenue per phone is increasing



3 | How much money does ARM get per mobile phone?

In 2013 there will be more phones with more ARM Powered chips



Basic phones getting smarter

Basic phones are getting smarter too as they are connected more to the people, business and services that we interact with every day

- Video
- Musical
- Cashless payment
- Credit card
- Wireless hands-free

Smartphone getting smarter

Smartphones are becoming smarter and will be pocket-sized mobile computers. They will be:

- Always connected** To the internet, your social network, sharing thoughts and work with your online community
- Always on** Battery lasting all day
- Always entertaining** Browsing the internet, emailing, playing music, mobile tv or gaming

- Internet
- Email
- Music
- Games
- Mobile TV
- Social networks
- Location services
- Credit card
- Cashless payment
- Newspaper

>10bn
Since 1996 more than 10 billion ARM processors have gone into mobile devices

4 | What is the future of mobile phones?

