

TI completes acquisition of Spansion Japan wafer fabrication facility

DALLAS, Aug 31, 2010 /PRNewswire via COMTEX News Network/ -- Texas Instruments Incorporated (NYSE: TXN) has completed its acquisition of two wafer fabs and equipment in Aizu-Wakamatsu, Japan, cost-effectively increasing the company's production capacity. The facility was previously operated by Spansion Japan Limited (S JL) and was acquired under a court-approved plan of reorganization.

The 200mm wafer fab in Aizu is capable of expanding TI's analog revenue by more than \$1 billion annually. The second, non-operating wafer fab is capable of either 200mm or 300mm production and will be preserved for future capacity expansion. TI offered employment to all of the S JL employees in Aizu.

The acquisition also included numerous 300mm production tools, many of which are being shipped to Richardson, Texas, to help complete Phase II of RFAB, the industry's first 300mm analog wafer fab.

In addition, TI will provide foundry services for FLASH products and sort services to Spansion LLC through June 2012.

This acquisition is the most recent in a series of manufacturing expansions announced by TI over the past 24 months, which collectively will add capacity for more than \$3.5 billion of additional Analog revenue per year when fully operational.

For more information about TI delivery capacity and analog manufacturing investments, please see www.ti.com/research.

About Texas Instruments

Texas Instruments (NYSE: TXN) helps customers solve problems and develop new electronics that make the world smarter, healthier, safer, greener and more fun. A global semiconductor company, TI innovates through design, sales and manufacturing operations in more than 30 countries. For more information, go to www.ti.com.

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Safer Harbor

Statements contained in this press release regarding the capability of acquired capacity to expand TI's Analog revenue, and other statements of management's beliefs, goals and expectations, are forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those in forward-looking statements.

We urge you to carefully consider the following important factors that could cause actual results to differ materially from the expectations of TI or its management:

- Market demand for semiconductors, particularly in key markets such as communications, entertainment electronics and computing;
- TI's ability to maintain or improve profit margins, including its ability to utilize its manufacturing facilities at sufficient levels to cover its fixed operating costs, in an intensely competitive and cyclical industry;
- TI's ability to develop, manufacture and market innovative products in a rapidly changing technological environment;
- TI's ability to compete in products and prices in an intensely competitive industry;
- TI's ability to maintain and enforce a strong intellectual property portfolio and obtain needed licenses from third parties;
- Expiration of license agreements between TI and its patent licensees, and market conditions reducing royalty payments to TI;
- Economic, social and political conditions in the countries in which TI, its customers or its suppliers operate, including security risks, health conditions, possible disruptions in transportation networks and fluctuations in foreign currency exchange rates;
- Natural events such as severe weather and earthquakes in the locations in which TI, its customers or its suppliers operate;
- Availability and cost of raw materials, utilities, manufacturing equipment, third-party manufacturing services and manufacturing technology;

- Changes in the tax rate applicable to TI as the result of changes in tax law, the jurisdictions in which profits are determined to be earned and taxed, the outcome of tax audits and the ability to realize deferred tax assets;
- Changes in laws and regulations to which TI or its suppliers are or may become subject, such as those imposing fees or reporting or substitution costs relating to the discharge of emissions into the environment or the use of certain raw materials in our manufacturing processes;
- Losses or curtailments of purchases from key customers and the timing and amount of distributor and other customer inventory adjustments;
- Customer demand that differs from our forecasts;
- The financial impact of inadequate or excess TI inventory that results from demand that differs from projections;
- The ability of TI and its customers and suppliers to access their bank accounts and lines of credit or otherwise access the capital markets;
- Impairments of our non-financial assets;
- Product liability or warranty claims, claims based on epidemic or delivery failure or recalls by TI customers for a product containing a TI part;
- TI's ability to recruit and retain skilled personnel; and
- Timely implementation of new manufacturing technologies, installation of manufacturing equipment and the ability to obtain needed third-party foundry and assembly/test subcontract services.

For a more detailed discussion of these factors, see the Risk Factors discussion in Item 1A of the Company's most recent Form 10-K. The forward-looking statements included in this release are made only as of the date of this release, and the Company undertakes no obligation to update the forward-looking statements to reflect subsequent events or circumstances.

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