Fairchild Semiconductor

Mark Thompson

President, CEO & Chairman of the Board

Analyst Day

September 16, 2010

Topics We'll Discuss Today…

- Update since our last analyst day in 2008
- Key markets that support our goal for robust sales growth
- Fairchild's approach to these markets…why we are winning
- New products that will drive our business
- Financial performance
- Target business model

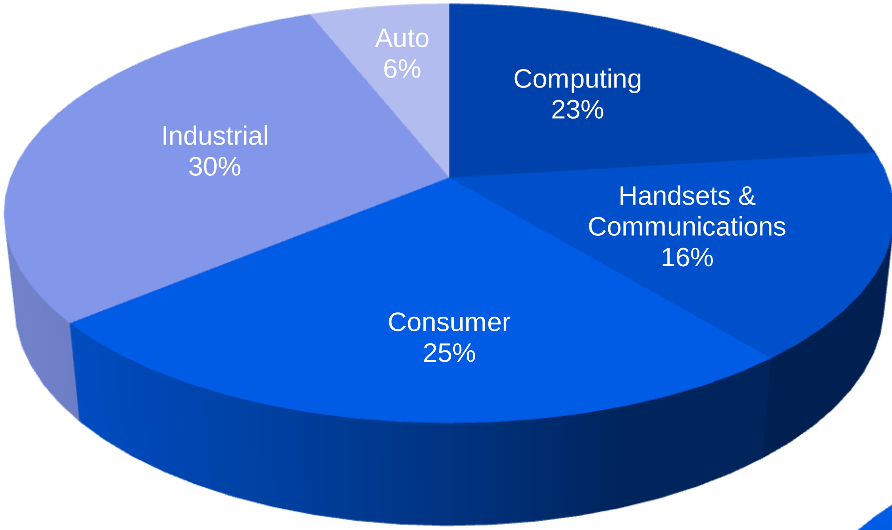
Fairchild Today…

Fairchild Semiconductor

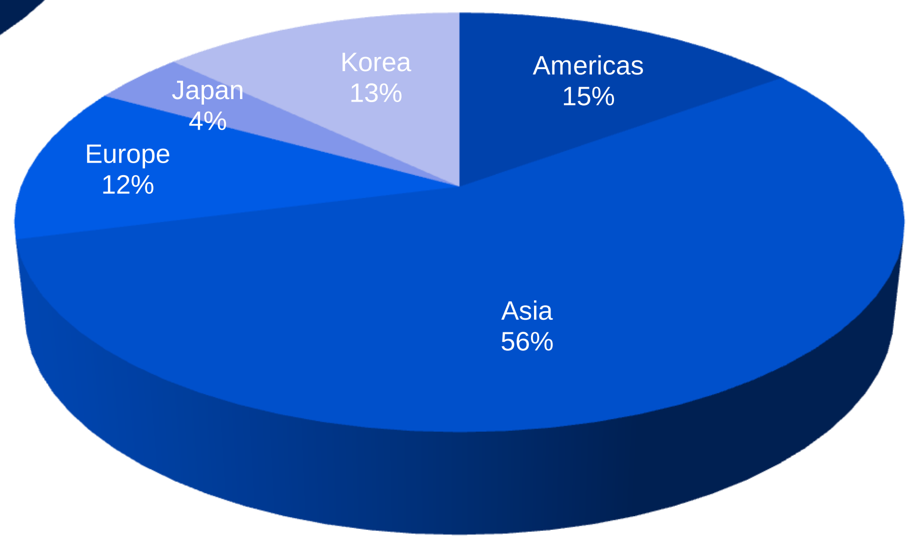
2010 Revenue ~$1.6B+

Mobile, Computing, Consumer & Communications Group (MCCC)	Power Conversion, Industrial & Automotive Group (PCIA)	Standard Products Group (SPG)
(42% of 2010 Revenue)	(47% of 2010 Revenue)	(11% of 2010 Revenue)
Mobile Power Switches & Interface Signal Conditioning LV MOSFETs Logic	Power Conversion HV MOSFET & IGBT SPM Automotive Opto	Standard discrete & analog
Comprehensive offering of low voltage solutions (<200V)	*Comprehensive offering of high voltage solutions (>200V)*	*Essential functions for key customers*

Fairchild Today…



Broad end market exposure and…



focus on fast-growing emerging market regions

Fairchild Transition

Reached target model presented at 2008 analyst day 1 year early

Phase 2

Higher Growth & Margins

- Sales growth >SAM
- 40%+ GM/20% OM
- Grow scale and cost advantage
- Pristine balance sheet
- Return portion of excess cash to shareholders

Phase 1 ✔

Remake FCS

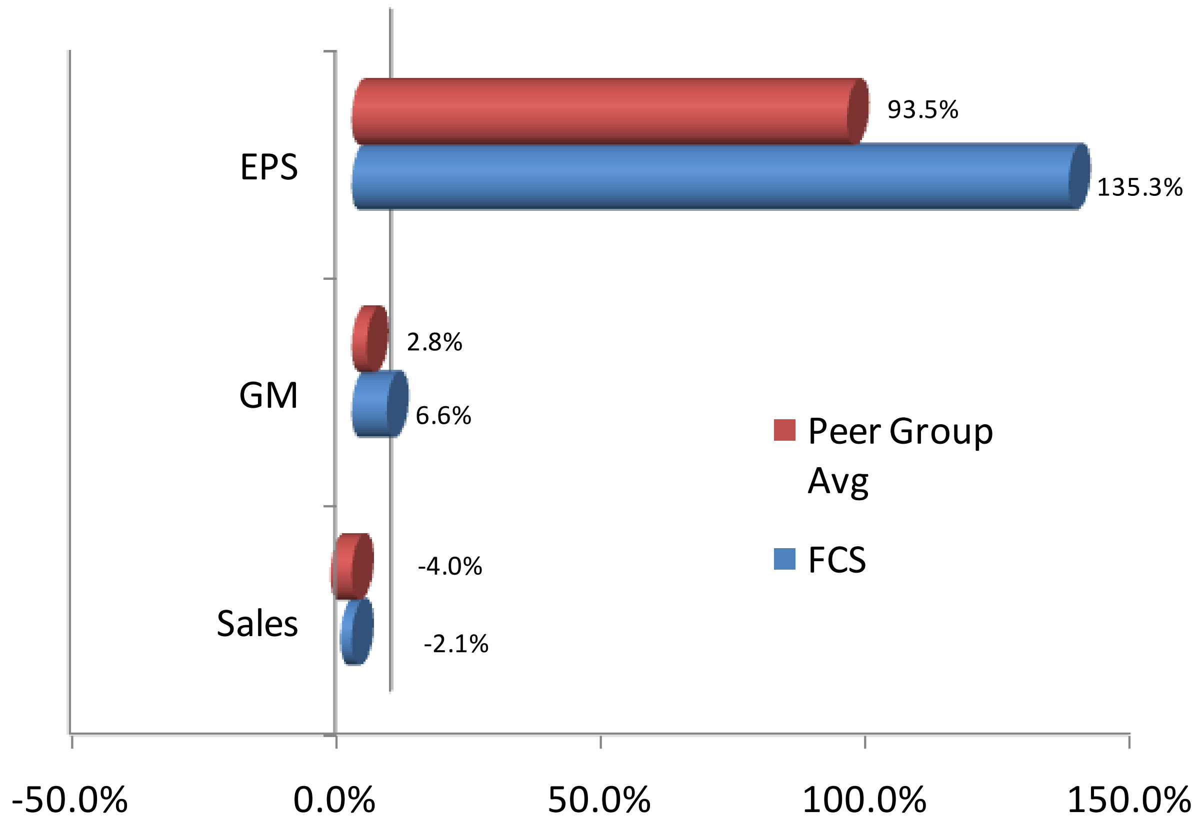
- Have the right team
- Clear market focus
- Best in class SCM
- Invest for product leadership
- Focus on top tier, industry leading customers
- **Mid-30's GM/Mid-teens OM**
- Record cash flow/lower debt

Post-bubble Fairchild

- Undisciplined cycle management
- Little focus on apps
- High debt level

Since Last Analyst Day

Fairchild Outperforming Peers



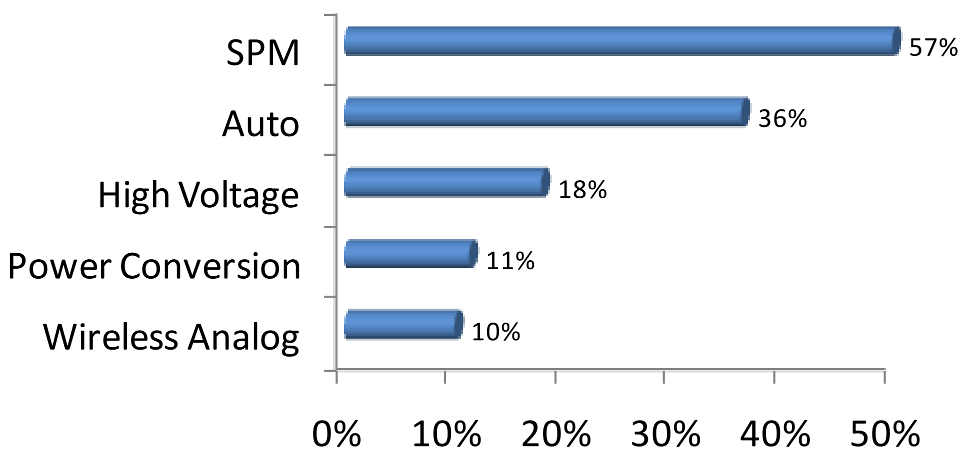
- Fairchild has outperformed peer group since mid-2008 (Q2 10 vs Q2 08)
- Gross margin is 660 bps higher, >2X the peer group average improvement

Peer group includes ONNN, IRF, ISIL, NSM. Data is pro forma and adjusted for acquisitions/divestitures

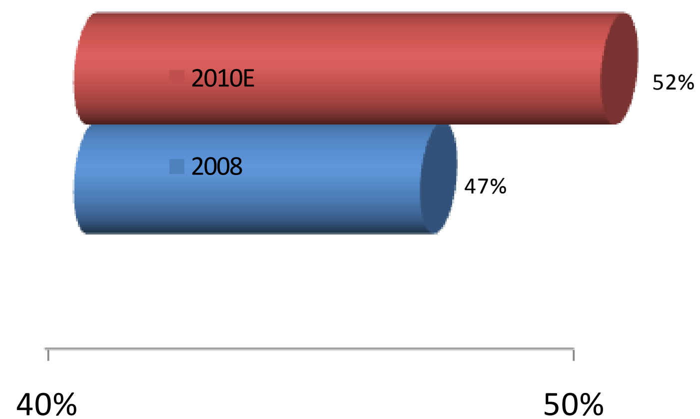
Since Last Analyst Day

Strong Growth for Key Products

Sales Growth



% of Total Fairchild Sales

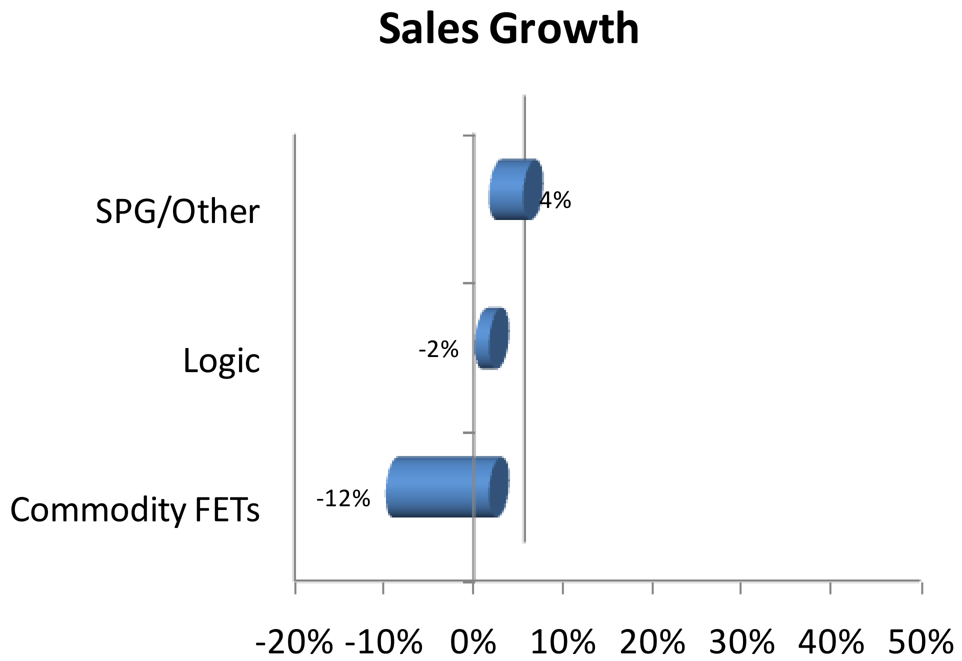


- Power module sales growing rapidly in appliance, industrial & auto
- Fairchild leadership technology and strong industrial & consumer demand driving sales growth for high voltage MOSFETs and IGBTs
- Significant R&D investment paying off in higher power conversion and wireless analog sales…building a strong analog franchise

Comparison of 2008 to 2010 Act/Forecast

Since Last Analyst Day

Growth Headwinds Subside

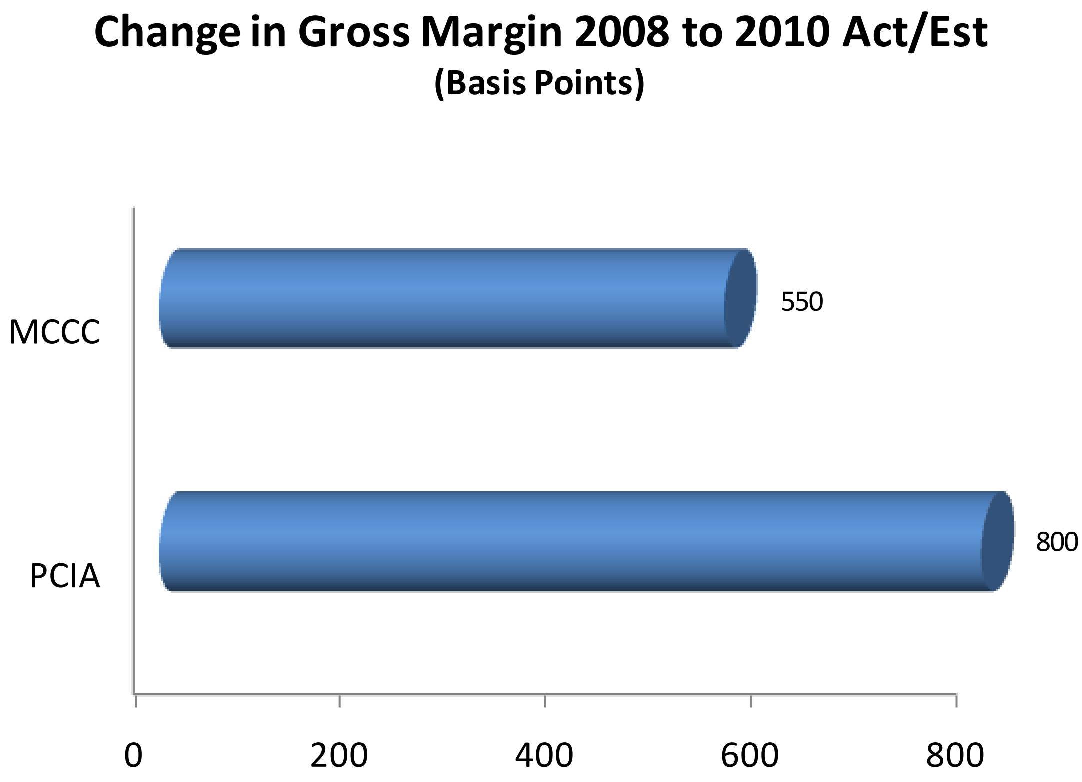


- Low Voltage transitioning to new silicon processes and packages. Increased focus on mid-voltage in high-density power MOSFETs.
- Reducing Logic exposure to profitable products and new products…minor headwinds left in mature logic
- SPG down to just 10% of sales

Comparison of 2008 to 2010 Act/Forecast

Since Last Analyst Day

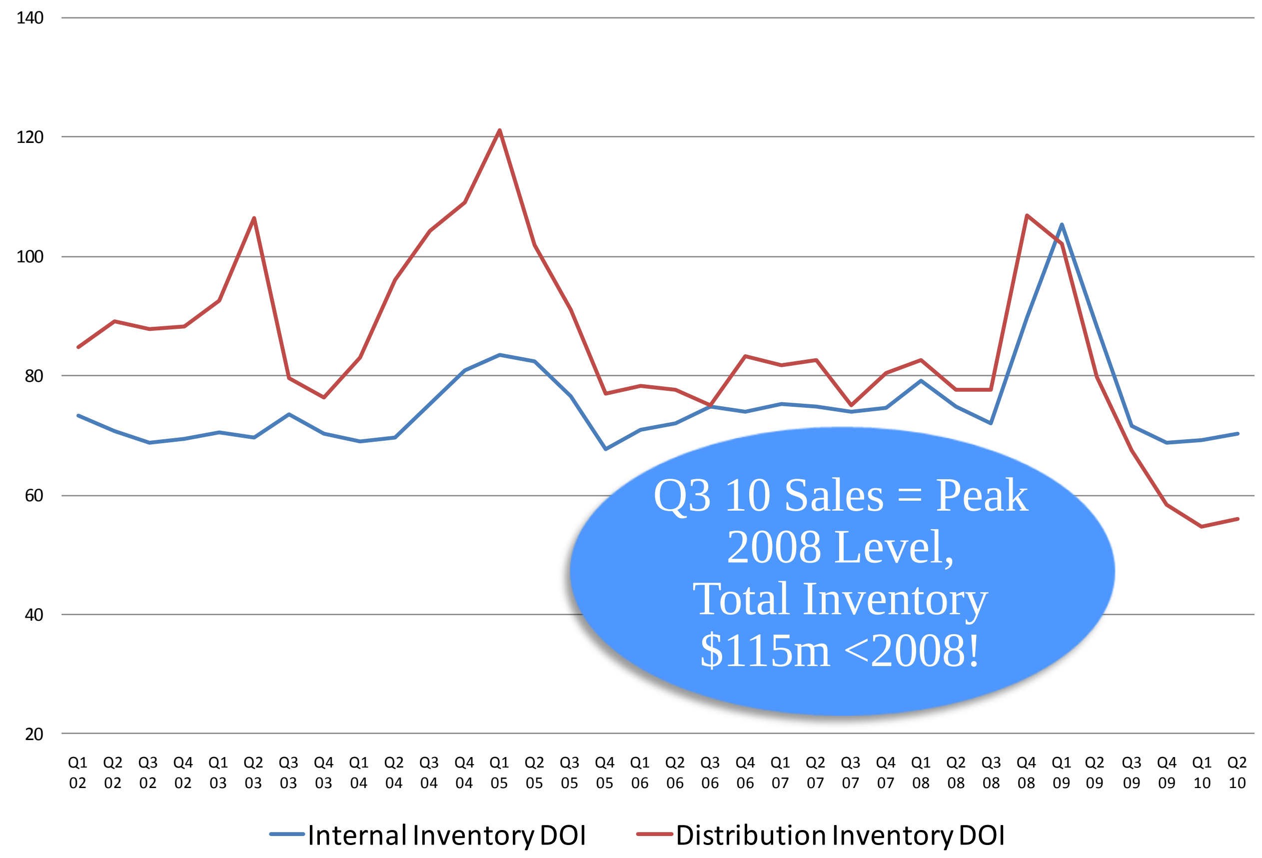
Record Gross Margin for All Product Lines



- Record GM since new product line structure
- PCIA Q2 2010 GM 36.6%
- MCCC Q2 2010 GM 38.4%
- Greater mix of new products and lower costs

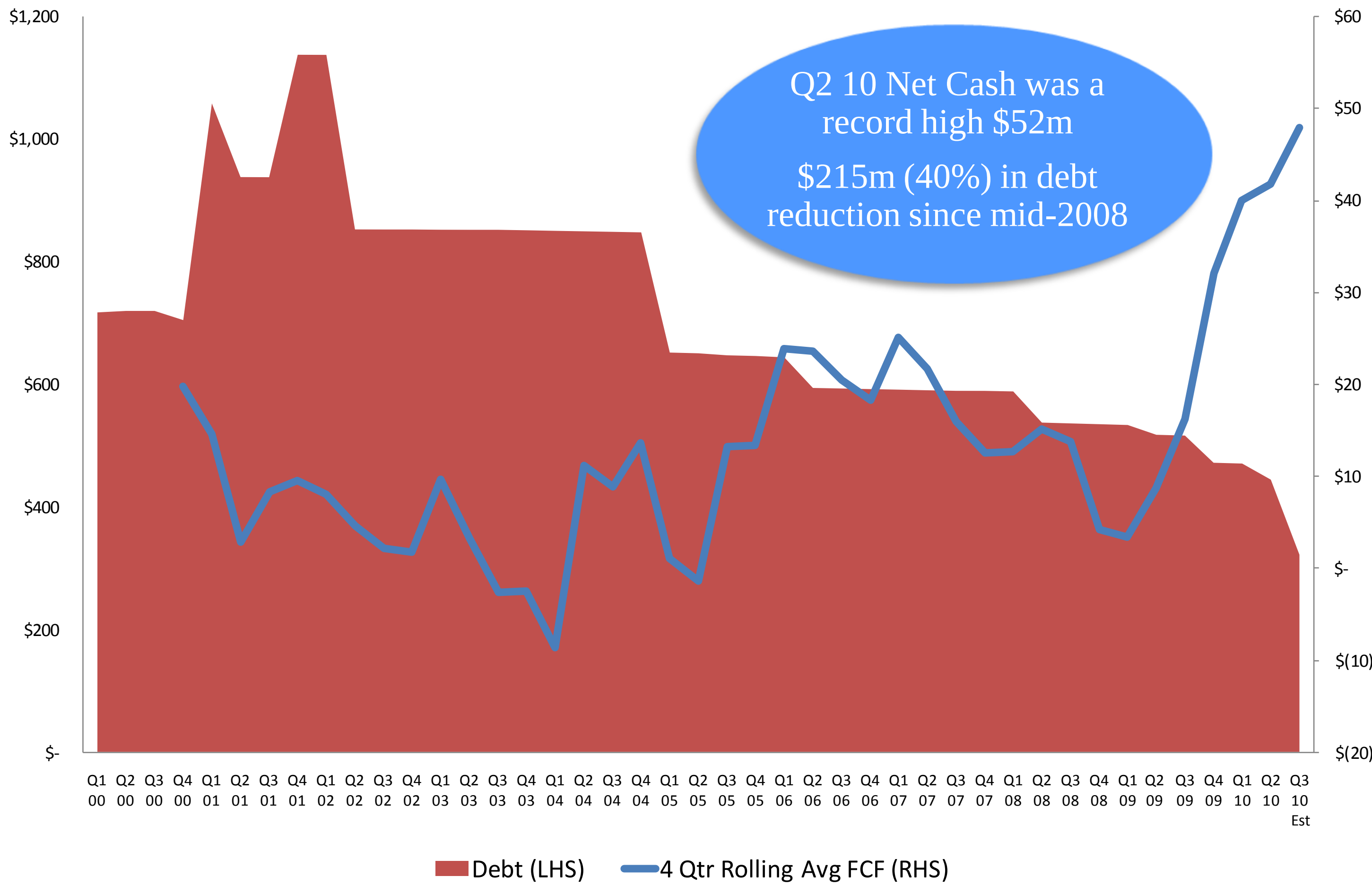
Since Last Analyst Day

Disciplined Inventory Management



- Focus on improving the ratio of fast turning product to slow movers enables solid customer service at lower levels of inventory
- Plan to maintain inventories at these record low DOI levels

Since Last Analyst Day
Record Cash Flow & Lower Debt

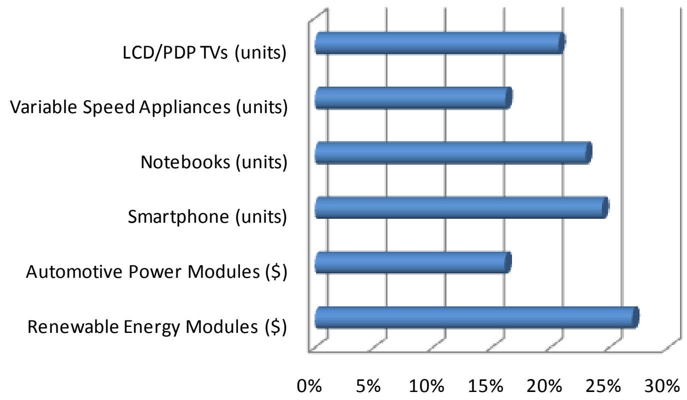


- Improved product mix and costs drive higher earnings and cash flow
- Highest FCF and lowest debt in our history

Broad Exposure to Fast Growing Markets

Market Projections

2007 - 2013 CAGR



16 – 27% CAGR

What Drives Our Business?

Fairchild solves difficult power management and signal path problems for leading-edge, top tier customers around the world. We focus on fast growing market trends in wireless convergence and greater efficiency in electronics to deliver double digit sales growth while increasing margins and earnings.

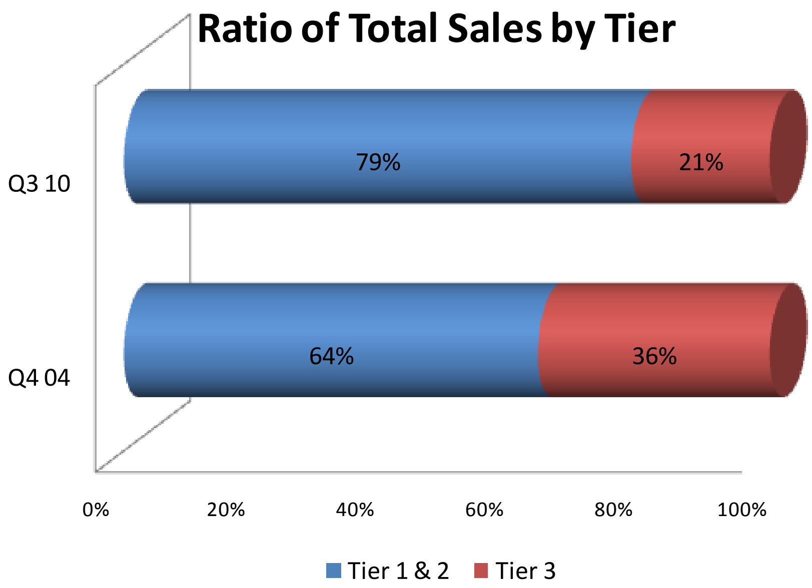
Source: iSuppli - Aug 2010, IMS – Jul 2010

Key Elements of Strategy

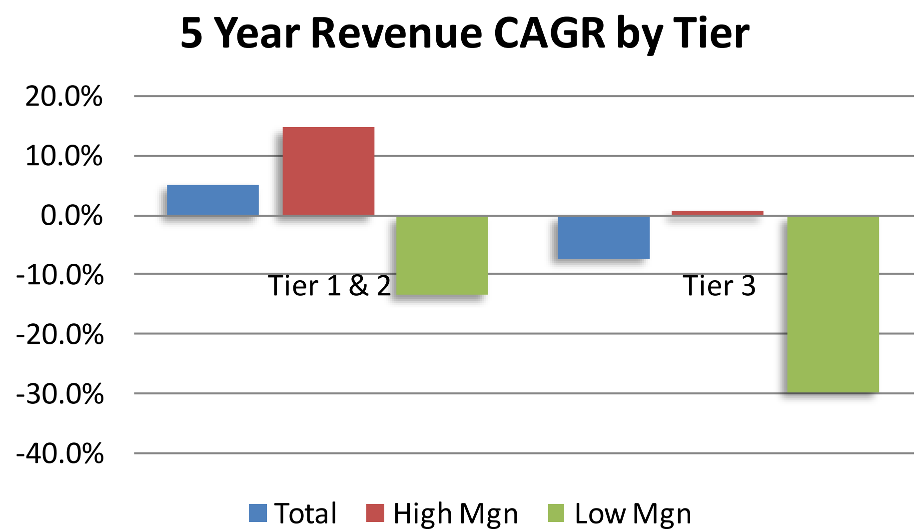
Old Model	New Model	
Product Line Focus	Application Focus	Greater application intimacy/leverage expertise in mobile/efficiency
2nd Source	Product Leadership	Pipeline, execution & budget
Distribution Focus	Direct Sell/FAE Support	Supply chain and sales excellence
Modest Financial Improvement/Cycle Sensitive	Accelerated Financial Improvement Across Cycle	Sales growth, GM, OM, EPS, ROIC, FCF

Shift to Industry Leading Customers

Top Tier Customers Drive Sales & Margin Growth

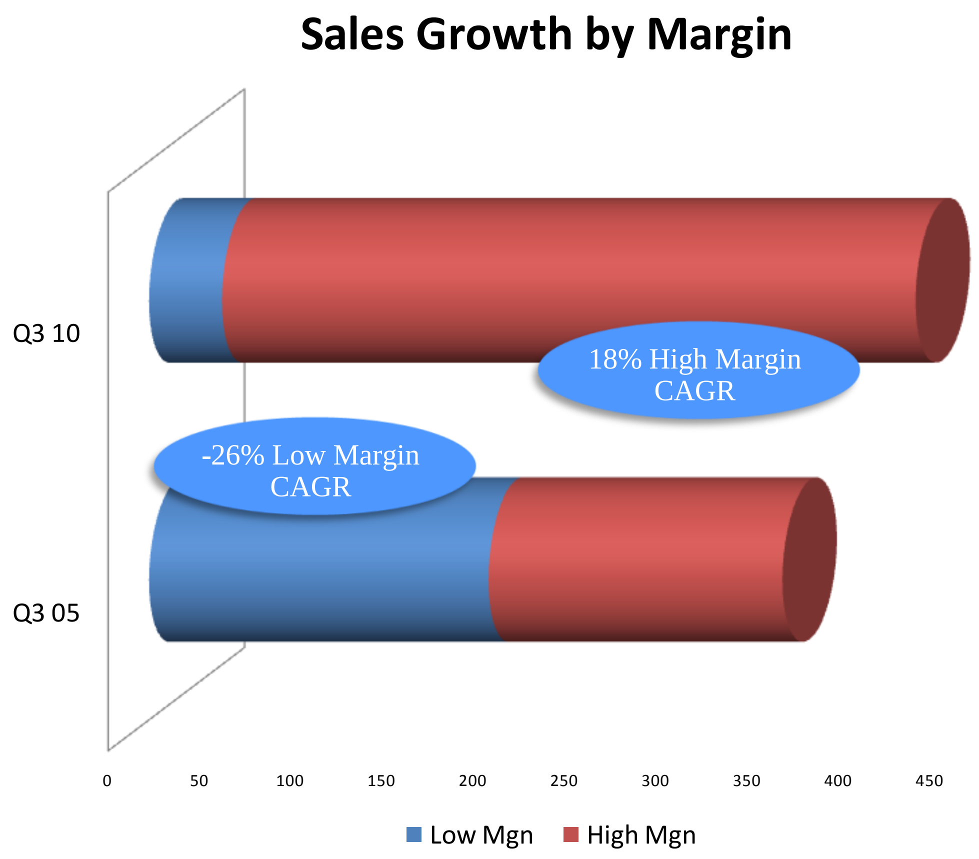


- Significant shift to fast-growing, industry leading customers
- Minimize exposure to low-margin, non-strategic tier 3 customers



Headwinds to Revenue Growth Subside

Lower Margin Business Has Been Pruned

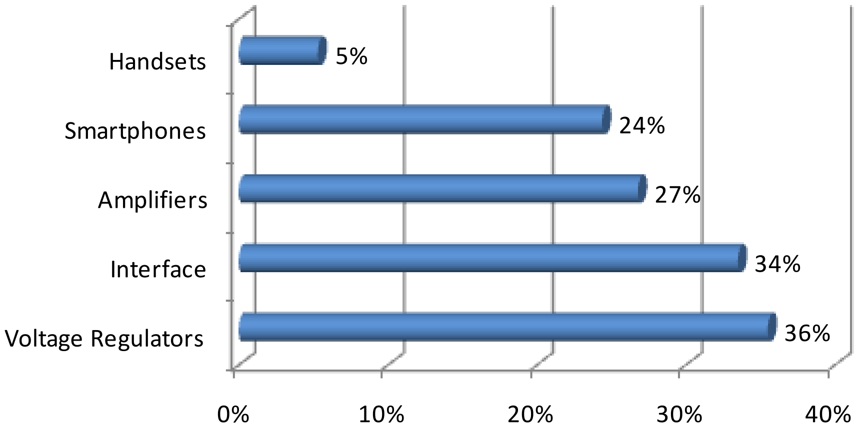


- Reduced low margin (<25% GM) tail by $150m of quarterly revenue since mid-2005
- Low margin tail now <10% of sales
- Higher margin business is growing well above 15% and now makes up the majority of sales

Double-Digit Sales Growth Enablers

Semiconductor Sales $ Growth - Handsets

2007 - 2013 CAGR



Switch & Mobile Power Sales in 2010 expected to be up 21% from 2009 and 10% from 2008

Handset - 5% CAGR

Smartphone - 24% CAGR

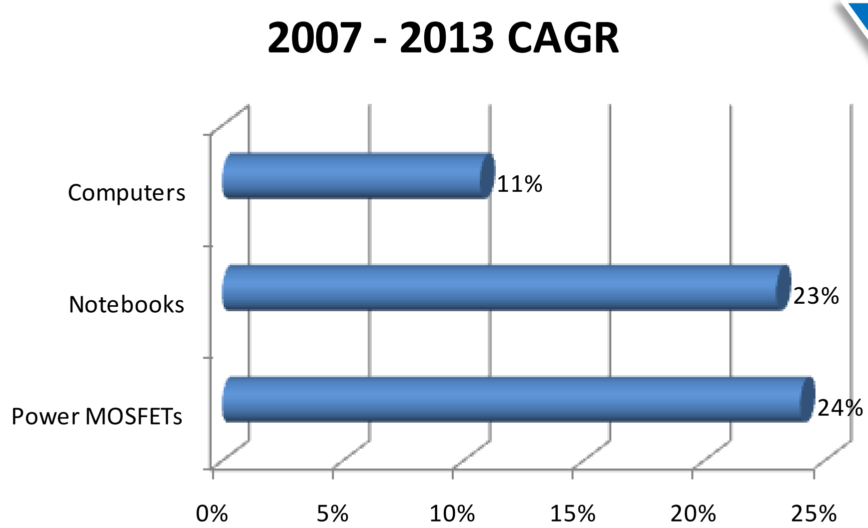
FCS SAM – 27%+ CAGR

- Power management is a critical enabler to increased functionality = high value
- Smartphones contain 3X semi content as feature phones - $35B Semi TAM in 2013
- Move to standard USB and automatic accessory detection shifts more BOM to semis

Source: iSuppli - Aug 2010

Double-Digit Sales Growth Enablers

Semiconductor Sales $ Growth - Computers



Computers – 11% CAGR

Notebooks – 23% CAGR

FCS SAM – 24% CAGR

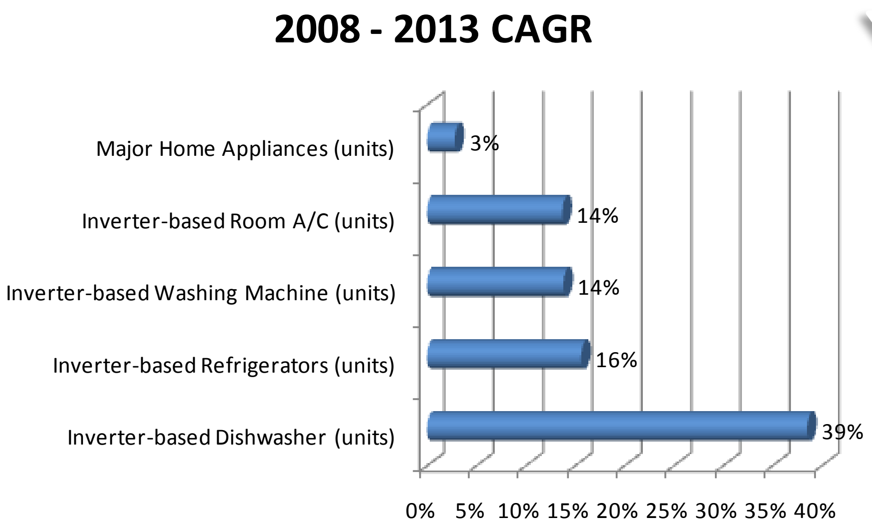
LV MOSFET 2010 results expected to be up 40% YoY and GM up 400 bps from 2008

- Power management key to battery life - $3B power transistor TAM in 2013
- Power MOSFET performance and integration drive share gains
- Technology leadership in silicon and packages enable strong sales & margin growth

Source: iSuppli - Aug 2010

Double-Digit Sales Growth Enablers

Unit Sales Growth – Major Home Appliances (MHA)



SPM® sales for 2010 expected to increase >60% from 2008

MHA - 3% CAGR

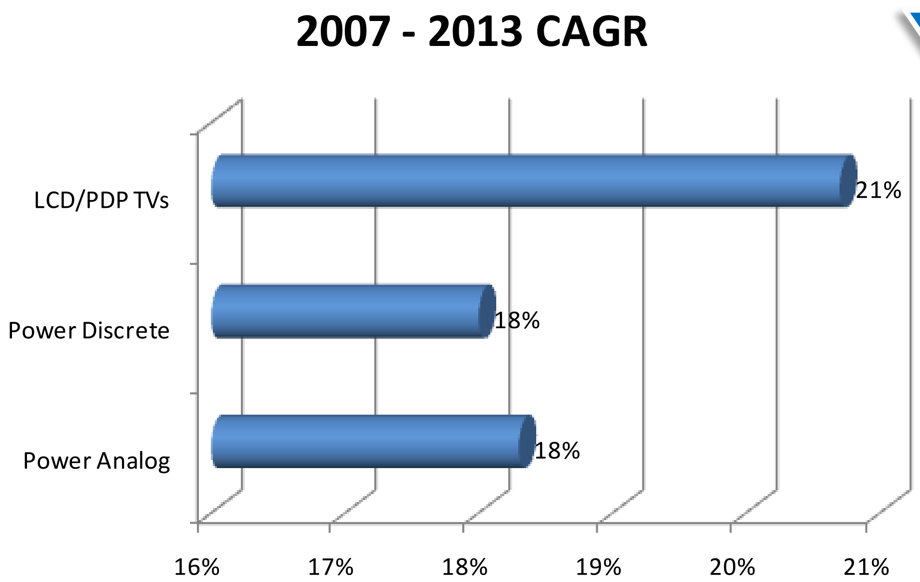
Inverter-based appliances - 14 – 39% CAGR

- Conversion to inverter-based motors opens huge new market to our SPMs…just 15% of MHA expected to be inverter-based in 2011 - $2B Semi TAM in 2013
- SPMs provide complete power management solution that reduces risk and decreases time to market…enables our customers to meet/exceed new efficiency standards

Source: IMS - Jul 2010

Double-Digit Sales Growth Enablers

Semiconductor Sales $ Growth – LCD/PDP TVs



Power conversion sales for 2010 expected to be up 11% from 2008

Panel TVs - 21% CAGR

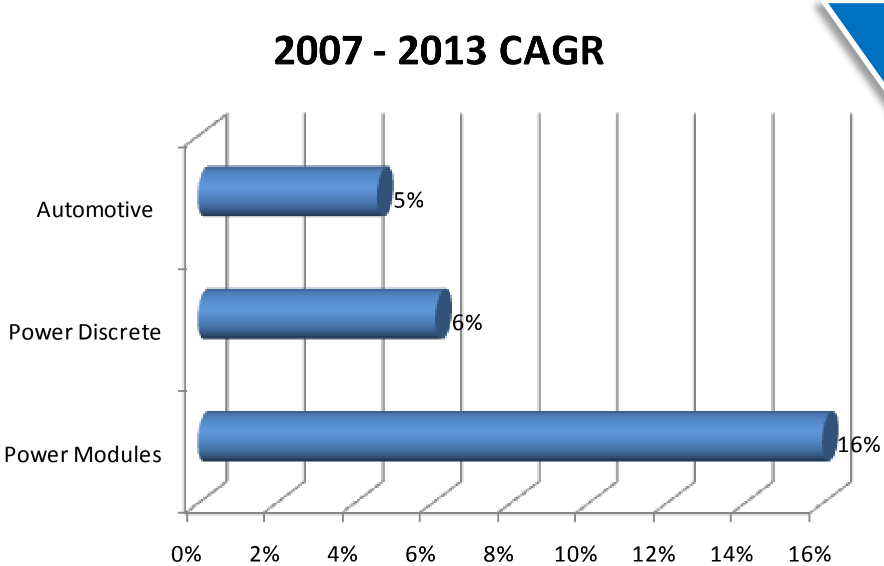
Power Semis - 18% CAGR

- Power mgmt is a critical enabler for LED backlighting , a key feature in LCD TVs due to higher refresh rates, better color & 3D capability - $5B power semi TAM in 2013
- Power conv analog and small form factor MOSFETs enable efficient & thin designs

Source: iSuppli - Aug 2010

Double-Digit Sales Growth Enablers

Semiconductor Sales $ Growth – Automotive



Auto sales for 2010 expected to be up 36% from 2008

Automotive – 5% CAGR

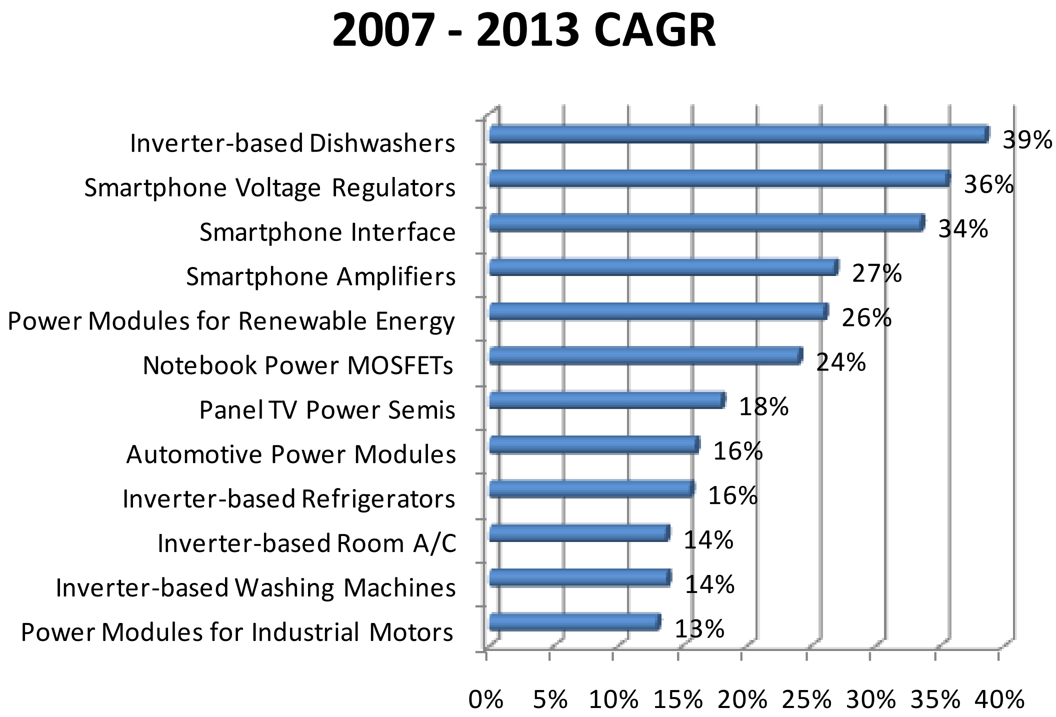
Power Discrete – 6% CAGR

Power Module SAM – 16%+ CAGR

- Power modules used to improve fuel efficiency and increase reliability - $2B power semi TAM in 2013
- Fairchild is the leader in supplying power modules for the electronic Power Steering (EPS) market that provides as much as a 10% improvement in fuel efficiency

Source: iSuppli - Aug 2010, IMS – Jul 2010

Our SAM Supports Double-Digit Sales Growth



More than 60% of Our Q2 2010 Sales support these SAMs – Huge Growth Potential

- Power management and wireless convergence continue to grow rapidly
- Our SAM outgrows the end markets significantly due to the higher value our customers place on performance, size and efficiency

Source: iSuppli - Aug 2010, IMS – Jul 2010

Why Fairchild is Winning