



- Sales were \$410m, up 8% QoQ and 47% YoY... Another quarter of better than seasonal sales growth
- Demand was higher across virtually all end markets and regions
- POS increased 5% QoQ, better than seasonal...channel inventory at 8 weeks, the middle of our target range
- Internal inventory roughly flat at very lean 70 days
- Generated \$55m in free cash flow (cash from operation – capex) due to margin and earnings growth coupled with strong asset management
- Net cash positive by record \$52m...Cash & securities of \$497m at the end of Q2
- Adjusted gross margin was 35.2%, up nearly 3 points QoQ, due primarily to the ramp of new products and mix out of less profitable products
- Pricing remained better than typical and slightly better than Q1 as customers continue to focus on product availability
- Utilization and lead times largely unchanged from a quarter ago. Using capacity reservations for top tier customers (75% of sales) to continue to provide them the product support they need

### FOR MORE INFORMATION

Visit Fairchild's web site at [www.fairchildsemi.com](http://www.fairchildsemi.com) and click on "Investor Relations."

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For reconciliation of pro forma to GAAP financials go to <http://investor.fairchildsemi.com> and access the 2010 Q2 and Historical Financials section