

STMICROELECTRONICS NV
Form 6-K
April 30, 2013

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

Report on Form 6-K dated April 30, 2013

Commission File Number: 1-13546

STMicroelectronics N.V.
(Name of Registrant)

WTC Schiphol Airport
Schiphol Boulevard 265
1118 BH Schiphol Airport
The Netherlands

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Q

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes F

No Q

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes F

No Q

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

Enclosure: STMicroelectronics' 2012 Dutch Statutory Annual Report, including the 2012 IFRS Statutory Accounts.

STMicroelectronics N.V.

Annual Report 2012

This 2012 statutory annual report has been approved and duly signed on April 22, 2013 for presentation to the STMicroelectronics N.V. 2013 Annual General Meeting of shareholders by:

THE MANAGING BOARD

Carlo Bozotti (President and Chief Executive Officer)

THE SUPERVISORY BOARD

Didier Lombard (Chairman)

Bruno Steve (Vice Chairman)

Raymond Bingham

Jean d'Arthuys

Jean-Georges Malcor

Alessandro Ovi

Alessandro Rivera

Martine Verluyten

Tom de Waard

Contents

1. MESSAGE FROM THE PRESIDENT AND CEO ON THE FINANCIAL YEAR 2012	5
2. CORPORATE OVERVIEW	7
2.1. HISTORY AND DEVELOPMENT OF STMICROELECTRONICS	7
2.2. STRATEGY & OBJECTIVES	7
2.3. ORGANIZATIONAL STRUCTURE	7
2.4. PRODUCTS AND ACTIVITIES	8
2.5. SALES	8
2.6. RESEARCH & DEVELOPMENT	8
2.7. SUSTAINABILITY	9
3. REPORT OF THE MANAGING BOARD	10
3.1. STATEMENT OF THE SOLE MEMBER OF THE MANAGING BOARD	10
3.2. BUSINESS OVERVIEW & PERFORMANCE	10
3.2.1. Results highlights for the year 2012	10
3.2.2. 2012 Business overview	11
3.2.3. 2012 Key announcements	18
3.2.4. Business and financial outlook for 2013	20
3.2.5. Liquidity and financial position	20
3.2.6. Financial risk management	22
3.3. RISK MANAGEMENT AND INTERNAL CONTROL	23
4. REPORT OF THE SUPERVISORY BOARD	25
4.1. COMPOSITION OF THE SUPERVISORY BOARD	25
4.2. MEETINGS AND ACTIVITIES OF THE SUPERVISORY BOARD	28
4.3. AUDIT COMMITTEE	29
4.4. COMPENSATION COMMITTEE	30
4.5. STRATEGIC COMMITTEE	30
4.6. NOMINATING AND CORPORATE GOVERNANCE COMMITTEE	30
4.7. SECRETARIAT AND CONTROLLERS	31
4.8. REMUNERATION REPORT	31
4.8.1. Share ownership	33
4.8.2. Stock awards and options	33
4.8.3. Employee and Managing Board stock-based compensation plans	33
4.8.4. Supervisory Board stock option plans	35
5. CORPORATE GOVERNANCE	37
5.1. COMMITMENT TO THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE	37
5.2. GENERAL MEETING OF SHAREHOLDERS	38
5.3. SUPERVISORY BOARD	40

5.4. MANAGING BOARD	41
5.5. EXECUTIVE OFFICERS	43
5.6. INDEMNIFICATION OF MEMBERS OF OUR MANAGING BOARD AND SUPERVISORY BOARD	45
5.7. RISK MANAGEMENT AND CONTROL SYSTEMS	45
5.8. REQUIRED INFORMATION ARTICLE 10 TAKEOVER DIRECTIVE	45
5.9. CODE OF ETHICS	47
5.10. DEVIATIONS FROM THE CODE	47
5.11. MAJOR SHAREHOLDERS	48
5.12. SHAREHOLDERS' AGREEMENTS	50
5.12.1. STH Shareholders' Agreement	50

6. DIVIDEND POLICY	53
7. CONSOLIDATED FINANCIAL STATEMENTS	54
7.1. CONSOLIDATED INCOME STATEMENT	54
7.2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	55
7.3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION	56
7.4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	57
7.5. CONSOLIDATED STATEMENT OF CASH FLOWS	59
7.6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	59
7.6.1. Corporate information	59
7.6.2. Basis of preparation	60
7.6.3. Statement of compliance	60
7.6.4. Basis of consolidation	60
7.6.5. Changes in accounting policies	60
7.6.6. Standards issued but not yet effective	61
7.6.7. Summary of significant accounting policies	62
7.6.8. Significant accounting judgments, estimates and assumptions	75
7.6.9. Business combinations	75
7.6.10. Investments in associates and jointly controlled entities	76
7.6.11. Property, plant and equipment	78
7.6.12. Intangible assets	80
7.6.13. Goodwill	82
7.6.14. Other financial assets and financial liabilities	83
7.6.15. Other non-current assets	91
7.6.16. Inventories	91
7.6.17. Trade accounts receivable	91
7.6.18. Other receivables and assets	92
7.6.19. Cash and cash equivalents	93
7.6.20. Cash generated from operations	93
7.6.21. Equity	93
7.6.22. Provisions	96
7.6.23. Employee benefits	99
7.6.24. Other non-current liabilities	102
7.6.25. Trade accounts payable, other payables and accrued liabilities	102
7.6.26. Significant categories of income	103
7.6.27. Operating segment information	103
7.6.28. Expenses by nature	105
7.6.29. Other income / expenses	106
7.6.30. Finance income / costs	106
7.6.31. Components of other comprehensive income	107
7.6.32. Income tax	107
7.6.33. Earnings per share	110
7.6.34. Related party	110
7.6.35. Commitments, contingencies claims and legal proceedings	113
7.6.36. Financial risk management objectives and policies	115
7.6.37. Subsequent events	117
8. COMPANY FINANCIAL STATEMENTS	118

8.1. STMICROELECTRONICS N.V. COMPANY BALANCE SHEET	118
8.2. STMICROELECTRONICS N.V. COMPANY STATEMENT OF INCOME	119
8.3. NOTES TO STMICROELECTRONICS N.V. COMPANY FINANCIAL STATEMENTS	119
8.3.1. General	119
8.3.2. Basis of Presentation	119
8.3.3. Summary of Significant Accounting Policies	119
8.3.4. Intangible Assets	120
8.3.5. Investments in Subsidiaries	122
8.3.6. Investments in associates and jointly controlled entities	122
8.3.7. Available-for-Sale Financial Assets	123

8.3.8. Group Companies Short-term Loans	124
8.3.9. Other group companies receivables and payables	124
8.3.10. Shareholder's equity	125
8.3.11. Other payables and accrued liabilities	126
8.3.12. Long-term debt	126
8.3.13. Other non-current liabilities	127
8.3.14. Guarantees and contingencies	127
8.3.15. Wages, salaries and social charges	127
8.3.16. Commitments	128
8.3.17. Related party transactions	128
9. OTHER INFORMATION	130
9.1. AUDITORS' REPORT	130
9.2. APPROPRIATION OF RESULTS – PROVISIONS IN COMPANY'S ARTICLES OF ASSOCIATION	130
9.3. BRANCHES	130
10. IMPORTANT DATES	133

1. Message from the President and CEO on the financial year 2012

Dear Shareholder,

2012 was an important year for us, where we faced and managed a number of challenges, while starting to prepare for the future by announcing the new, more focused ST.

Throughout a difficult year, as we dealt with a weaker business environment as well as significant, structural changes in the market and in end-customer competitive dynamics, ST made strong progress in three main areas: we demonstrated careful management of our assets, we achieved several important product and technology advances and breakthroughs to strengthen our leading market position, and we made a major strategic decision.

First, careful management of ST's assets and resources allowed us to achieve one of our main priorities for the year. Despite the significant cash required by ST-Ericsson and the weakness of the market, we actually improved our net financial position to \$1.19 billion. We did this while maintaining our dividend rate at 40 cents per share, paying out \$355 million in dividends while continuing to maintain financial flexibility and a strong cash position.

Second, our advances and breakthroughs in products and technologies in 2012 contributed to ST gaining market share in several of our targeted markets.

Our foresight in anticipating the direction of the Analog, MEMS and Sensors market led to 22% year-over-year revenue growth and helped us ship more than 1 billion MEMS units in 2012, including more than 60 million microphones as we entered that market and ramped quickly. We also achieved quick success with high-volume shipments of pressure sensors and 6-axis motion MEMS combos, capacitive touch-screen controllers, high-accuracy magnetic sensors, and our Windows-8 sensor solution for several tablets and smartphones. Together, these efforts increased ST's market share in the MEMS mobile and handset market to 48%¹ — more than 2x our closest competitor — and ensured that ST has leadership in MEMS across all mobile operating systems.

In the Automotive market, ST reached the milestone of having more than 200 million cars in the world utilizing ST's leading infotainment technologies. In Automotive Smart Power, several major automotive players in Europe, Japan and the US confirmed our leadership by choosing our latest 110nm BCD process for Safety, Powertrain and Body applications. Our efforts across the spectrum of automotive applications also paid off with our establishing innovation and system-optimization partnerships with leading car makers such as Audi and Hyundai.

In Smart Power and Power Conversion, in addition to our automotive successes, we also delivered high volumes of a new MOSFET family and introduced to several leading smartphone manufacturers high-performing, power-saving tunable capacitors. One measure of our ability to meet customer requirements and demands is that we have captured more than 70% share of the market for powering efficient AMOLED