



# Rambus First Quarter 2012 Financial Results

April 19, 2012

# Safe Harbor Provision

This presentation will contain forward-looking statements regarding our financial prospects, demand for our products, and product development, among other things. Such forward looking statements are based on current expectations, estimates and projections about the Company's industry, and management's beliefs and assumptions. These statements are subject to risks and uncertainties, which are more fully described in the documents that we file with the SEC, including our 10-Ks, 10-Qs and 8-Ks, and these statements may differ materially from our actual results.

This presentation contains non-GAAP financial measures. Reconciliations of these non-GAAP financial measures to the most directly comparable measures calculated in accordance with GAAP are posted on our website at [www.rambus.com](http://www.rambus.com).

# Business Highlights

- Quarterly revenue of \$62.9 million
- Signed license agreements with Nvidia and MediaTek
- Received 2012 DesignCon Best Paper Award
- Acquired Unity Semiconductor
- 1597 issued patents, 1211 pending applications

# Q1'12 Actual Results Versus Guidance

\$M's	Actual	Guidance		
	Q1'12			
<b>Revenue</b>	\$ 62.9	\$ 59.0	-	\$ 64.0
Other patent royalties received	\$ 2.4	\$ 2.0	-	\$ 2.0
<b>Total customer licensing income</b>	\$ 65.3	\$ 61.0	-	\$ 66.0
<b>Pro forma operating costs and expenses *</b>	\$ 56.7	\$ 61.0	-	\$ 57.0
<b>Pro forma net income (loss)</b>	\$ 3.6	\$ (2.0)	-	\$ 4.0
<b>* Litigation (included above)</b>	\$ 4.1	\$ 10.0	-	\$ 7.0

# Q1'12 Customer Licensing Income

\$M's	Actual Q1'12	Actual Q4'11	Variance QoQ	Actual Q1'11	Variance YoY
<b>Revenue</b>	\$ 62.9	\$ 83.4		\$ 62.5	
Adjustments:					
Other patent royalties received	\$ 2.4	\$ 1.1		\$ -	
Gain from settlement	\$ -	\$ -		\$ 6.2	
<b>Total customer licensing income</b>	<b>\$ 65.3</b>	<b>\$ 84.5</b>	<b>\$ (19.2)</b>	<b>\$ 68.7</b>	<b>\$ (3.4)</b>

# Q1'12 Pro Forma Operating Costs and Expenses

\$M's	Actual Q1'12	Actual Q4'11	Variance QoQ	Actual Q1'11	Variance YoY
Operating costs and expenses	\$ 80.4	\$ 101.5		\$ 54.2	
Adjustments:					
Stock-based compensation	\$ (6.7)	\$ (6.5)		\$ (7.3)	
Acquisition related deal costs and retention bonuses	\$ (9.4)	\$ (7.9)		\$ -	
Amortization	\$ (7.6)	\$ (7.3)		\$ (2.0)	
Costs of restatement	\$ (0.0)	\$ (13.5)		\$ (1.2)	
Gain from settlement	\$ -	\$ -		\$ 6.2	
<b>Pro forma operating costs and expenses *</b>	<b>\$ 56.7</b>	<b>\$ 66.4</b>	<b>\$ (9.7)</b>	<b>\$ 49.9</b>	<b>\$ 6.8</b>
<b>* Litigation (included above)</b>	<b>\$ 4.1</b>	<b>\$ 16.8</b>	<b>\$ (12.7)</b>	<b>\$ 9.2</b>	<b>\$ (5.1)</b>

# Q1'12 Pro Forma Engineering & MG&A Costs and Expenses

\$M's	Actual Q1'12	Actual Q4'11	Variance QoQ	Actual Q1'11	Variance YoY
Cost of revenues	\$ 7.2	\$ 7.5		\$ 3.1	
Research and development	\$ 38.4	\$ 35.8		\$ 23.3	
Stock-based compensation	\$ (2.7)	\$ (2.8)		\$ (2.6)	
Retention bonuses	\$ (6.9)	\$ (6.8)		\$ -	
Amortization	\$ (7.0)	\$ (6.6)		\$ (2.0)	
<b>Pro forma Engineering costs and expenses</b>	<b>\$ 29.0</b>	<b>\$ 27.0</b>	<b>\$ 1.9</b>	<b>\$ 21.9</b>	<b>\$ 7.1</b>
Marketing, general and administrative (MG&A) *	\$ 34.8	\$ 44.7		\$ 32.7	
Stock-based compensation	\$ (4.0)	\$ (3.6)		\$ (4.7)	
Acquisition related deal costs and retention bonuses	\$ (2.5)	\$ (1.1)		\$ -	
Amortization	\$ (0.6)	\$ (0.6)		\$ -	
<b>Pro forma MG&amp;A costs and expenses *</b>	<b>\$ 27.7</b>	<b>\$ 39.4</b>	<b>\$ (11.6)</b>	<b>\$ 28.1</b>	<b>\$ (0.3)</b>
<b>Pro forma operating costs and expenses</b>	<b>\$ 56.7</b>	<b>\$ 66.4</b>	<b>\$ (9.7)</b>	<b>\$ 49.9</b>	<b>\$ 6.8</b>
* Litigation (included above)	\$ 4.1	\$ 16.8	\$ (12.7)	\$ 9.2	\$ (5.1)

# Q1'12 Pro Forma Net Income

\$M's	Actual Q1'12	Actual Q4'11	Variance QoQ	Actual Q1'11	Variance YoY
<b>Total customer licensing income</b>	\$ 65.3	\$ 84.5		\$ 68.7	
<b>Pro forma operating costs and expenses *</b>	\$ 56.7	\$ 66.4		\$ 49.9	
Pro forma operating income	\$ 8.6	\$ 18.1		\$ 18.8	
Interest expense	\$ (3.0)	\$ (3.0)		\$ (2.8)	
Pro forma Pre-tax income	\$ 5.6	\$ 15.1		\$ 16.0	
Pro forma Income Tax	\$ 2.0	\$ 5.4		\$ 5.8	
<b>Pro forma net income</b>	<b>\$ 3.6</b>	<b>\$ 9.7</b>	<b>\$ (6.1)</b>	<b>\$ 10.2</b>	<b>\$ (6.6)</b>
Pro forma Basic EPS	\$ 0.03	\$ 0.09		\$ 0.10	
Pro forma Diluted EPS	\$ 0.03	\$ 0.08		\$ 0.09	
<b>* Litigation (included above)</b>	<b>\$ 4.1</b>	<b>\$ 16.8</b>	<b>\$ (12.7)</b>	<b>\$ 9.2</b>	<b>\$ (5.1)</b>



# Cash & Marketable Securities

<b>\$M's</b>	<b>Actual Q1'12</b>	<b>Actual Q4'11</b>	<b>Actual Q1'11</b>
<b>Cash &amp; Marketable Securities - Beginning</b>	<b>\$ 289</b>	<b>\$ 293</b>	<b>\$ 512</b>
<b>Cash Flow from Operations</b>	<b>\$ (11)</b>	<b>\$ 2</b>	<b>\$ (5)</b>
<b>Cash &amp; Marketable Securities - Ending</b>	<b>\$ 233</b>	<b>\$ 289</b>	<b>\$ 509</b>

# Q2'12 Guidance

\$M's	Guidance				
<b>Revenue</b>	\$	<b>53.0</b>	-	\$	<b>59.0</b>
Other patent royalties received	\$	1.0	-	\$	1.0
<b>Total customer licensing income</b>	\$	<b>54.0</b>	-	\$	<b>60.0</b>
<b>Pro forma operating costs and expenses *</b>	\$	<b>62.0</b>	-	\$	<b>57.0</b>
<b>Pro forma net income (loss)</b>	\$	<b>(6.0)</b>	-	\$	<b>-</b>
<b>* Litigation (included above)</b>	\$	<b>7.0</b>	-	\$	<b>4.0</b>



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