

TI Updates Second-Quarter 2007 Business Outlook

- Revenue Expected between \$3.36 Billion and \$3.51 Billion
- EPS Expected between \$0.40 and \$0.44

Conference Call on TI Web Site at 4 p.m. CDT Today

www.ti.com

DALLAS (June 11, 2007) – In a scheduled update to its business outlook for the second quarter of 2007, Texas Instruments Incorporated (TI) (NYSE: TXN) today narrowed its expected ranges for revenue and earnings per share (EPS).

The company's expectations for revenue are:

- Total revenue between \$3.36 billion and \$3.51 billion, compared with the prior range of \$3.32 billion to \$3.60 billion;
- Semiconductor revenue between \$3.20 billion and \$3.34 billion, compared with the prior range of \$3.14 billion to \$3.40 billion; and
- Education Technology revenue between \$160 million and \$170 million, compared with the prior range of \$180 million to \$200 million. The lower estimate reflects delays by retailers in stocking their back-to-school calculator inventory until closer to the start of school in the third quarter.

TI expects EPS from continuing operations between \$0.40 and \$0.44, compared with the previous range of \$0.39 to \$0.45.

The company will hold a conference call at 4 p.m. CDT today to discuss this update. This conference call will be available live at www.ti.com. TI's original second-quarter outlook was published in the company's first-quarter 2007 earnings release on April 23, available at www.ti.com. TI's second quarter ends on June 30.

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: This release includes forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by phrases such as TI or its management "believes," "expects," "anticipates," "foresees," "forecasts," "estimates" or other words or phrases of similar import. Similarly, statements in this release that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. 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 for analog chips and digital signal processors 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;
 - 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 company forecasts;
 - The financial impact of inadequate or excess TI inventories to meet demand that differs from projections;
 - Product liability or warranty claims, 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 text under the heading "Risk Factors" in Item 1A of our most recent Form 10-K. The forward-looking statements included in this release are made only as of the date of publication, and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances.

Texas Instruments Incorporated provides innovative DSP and analog technologies to meet our customers' real world signal processing requirements. In addition to Semiconductor, the company includes the Education Technology business. TI is headquartered in Dallas, Texas, and has manufacturing, design or sales operations in more than 25 countries.

Texas Instruments is traded on the New York Stock Exchange under the symbol TXN. More information is located on the World Wide Web at www.ti.com.