



Enabling Brilliance™

Second Quarter Earnings Call

June 22, 2011



Forward Looking Statements

This presentation This document contains statements which constitute forward-looking statements. These forward-looking statements are not descriptive of historical matters and may refer to management's expectations or plans. These statements include but are not limited to statements concerning: Gennum's business objectives and plans including Gennum's corporate strategy and strategic priorities; Gennum's future financial performance and prospects including revenues, gross margins and earnings, and ability to achieve operating earnings, cash flow and other business model targets; the expected results and benefits of Gennum's acquisition of Nanotech (including the expected impact of the acquisition on Gennum's revenues, earnings, business and market position); future trends in the semiconductor products and intellectual property licensing industries and, in particular, market trends for analog and mixed-signal products, optical products and intellectual property products and licensing; Gennum's expectations for sales and licensing of its products in these markets including anticipated costs and fees, sales, product prices, size, duration, growth or decline of market opportunities and competitive and pricing pressures in these markets; Gennum's product roadmap and the speed at which Gennum is able to introduce new products; the adoption of new standards in the markets in which Gennum competes and the ability of Gennum to anticipate these changes and successfully address new opportunities; sales and capital spending plans and estimates, shipment levels and operating expenses; the anticipated savings from, and the anticipated costs and related charges and operating expenses associated with, the planned outsourcing of test and logistics operations; exchange rate fluctuations in, and the relative values of, the Canadian dollar, the U.S. dollar and the Japanese yen; Gennum's ability to finance its growth plans and make necessary investments; and litigation in which Gennum is involved.

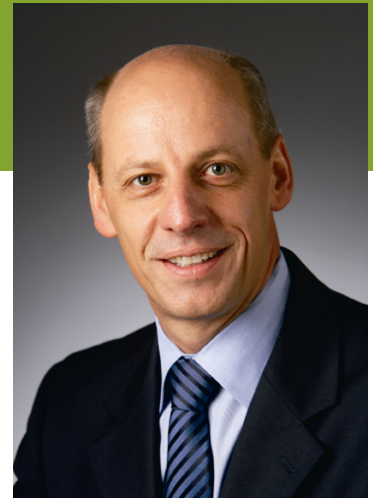
Inherent in forward-looking statements are risks and uncertainties beyond Gennum's ability to predict or control including, but not limited to, risks associated with: competitive and pricing pressures in the increasingly competitive environment in which Gennum operates; changes in the mix of products sold which, due to associated margins, can impact Gennum's financial results; the successful integration of and realization of benefits from acquisitions, including the acquisition of Nanotech; economic cycles in the semiconductor industry including downturns which can result from adverse general economic conditions; the effects of the recent earthquake and tsunami in Japan and the resultant impact upon Gennum's sales in Japan, which comprise approximately 25% of Gennum's revenues; our ability to anticipate needs for future products and successfully execute our product roadmap, including the possibility of the emergence of disruptive technologies which negatively impact our positioning in the marketplace; the risk that unforeseen factors may arise that result in us not being able to achieve our operating income, cash flow and other business model targets; possible impairments of assets which could be required in the future; fluctuations in foreign exchange rates and their potential adverse impact upon our financial results; our reliance on external foundries and suppliers and the potential adverse effects of disruptions in any of these arrangements; our ability to attract and retain key personnel necessary for our business; our ability to successfully protect our intellectual property rights; and the initiation and outcome of legal proceedings. Readers should also refer to the sections entitled "Risks and Uncertainties" in our 2010 management's discussion and analysis and "Risk Factors" in our most recent annual information form, each as filed on SEDAR at www.sedar.com.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this document. Such statements are based on a number of assumptions which may prove to be incorrect including, but not limited to, the following assumptions: there is no material deterioration in the business and economic conditions in the marketplace for Gennum's products; Gennum is able to successfully integrate acquisitions (including the acquisition of Nanotech) and the results of such acquisitions are not materially different from those anticipated by Gennum; the effects of the recent earthquake and tsunami in Japan will not have a material adverse impact upon Gennum's revenues; Gennum's expectations regarding market trends for analog and mixed-signal products, optical products and intellectual property products and licensing are not materially incorrect; Gennum is able to execute its product roadmap without delays or disruptions having a material impact on Gennum; Gennum's expectations relating to the needs and direction of the marketplace for its products are within reasonable bounds of accuracy and Gennum is able to introduce products and capitalize on new opportunities generally as expected; Gennum's expectations relating to its future operating expenses, as well as the capital required to conduct its business in the future, are not materially incorrect; significant impairments of assets will not arise; material disruptions in the manufacture and supply of products and services to Gennum by foundries and suppliers will not materialize; Gennum's expectations relating to competitive pressures, including pricing pressures, as well as Gennum's expectations relating to the mix of products to be sold by it, are not materially incorrect; the actual savings from, and costs and related charges and operating expenses associated with, the planned outsourcing of test and logistics operations are not materially different from those anticipated by Gennum; significant fluctuations in foreign exchange rates which materially adversely affect Gennum's financial results do not arise; customer demand for Gennum's products remains generally as anticipated; and Gennum is able to continue to retain and attract technical and other key employees.

Readers are cautioned that the foregoing list of important factors and assumptions is not exhaustive. Forward-looking statements are not guarantees of future performance. Events or circumstances could cause Gennum's actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. Consequently, readers should not place any undue reliance on these forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. In addition, these forward-looking statements relate to the date on which they are made. We disclaim any intention or obligation to update or revise any forward-looking statements or the foregoing list of factors, whether as a result of new information, future events or otherwise, except to the extent required by law.



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Dr. Franz Fink

President & CEO

June 22, 2011



Q2 2011 Performance Summary

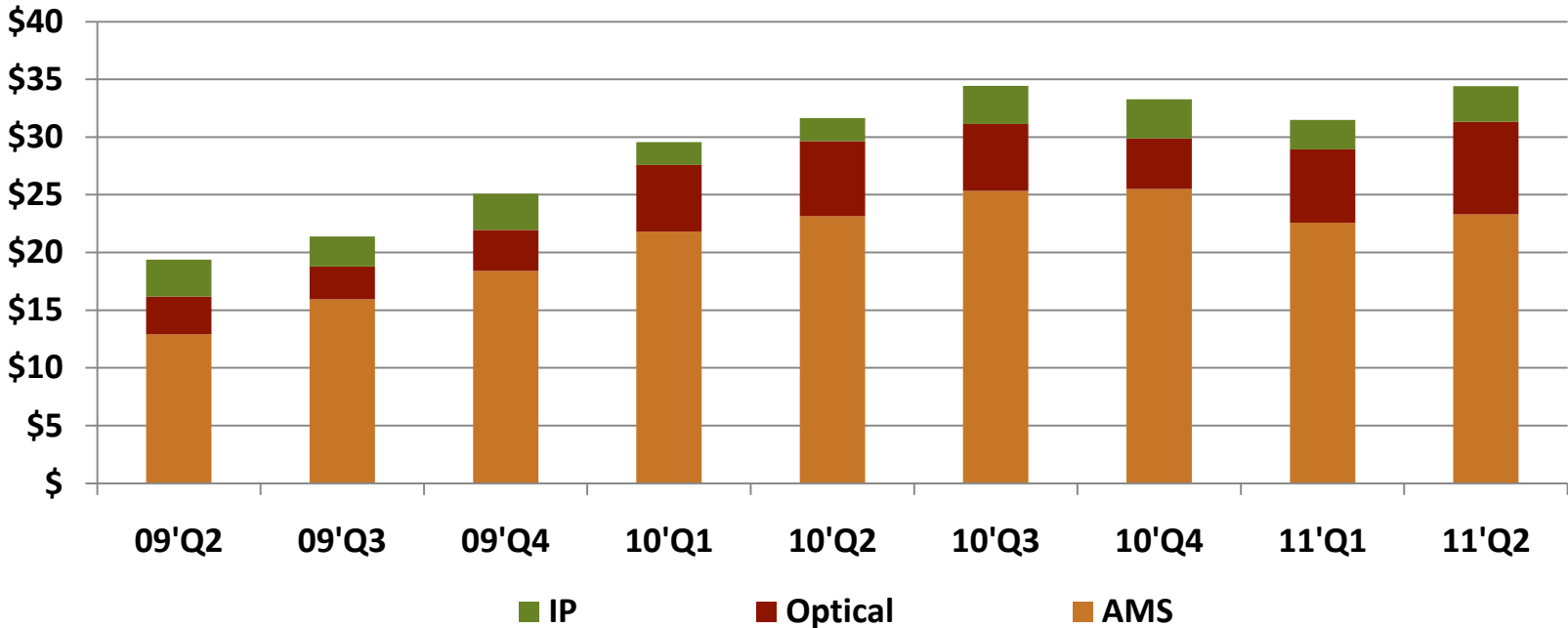
	Q2-2010	Q1-2011	Q2-2011
Revenue	\$31.6M	\$31.5M	\$34.4M
Gross Margin	71%	72%	70%
Operating Income	\$5.8M	\$6.5M	\$4.6M
Operating Margin	18%	21%	13%
EPS	\$0.12	\$0.13	\$0.10

- Achieved **9% revenue growth vs. Q1 2011**
- **Gross margins solid at 70%**
- **Normalized EPS \$0.13** excluding one-time acquisition impacts*
- **Q2 operating margin at 13%** - impacted by acquisition and Fx
- Normalized operating margins in line with business model targets

* See "Non-GAAP Performance" below

Gennum Revenue Summary

Quarterly Revenue Performance by Product Family (\$M)

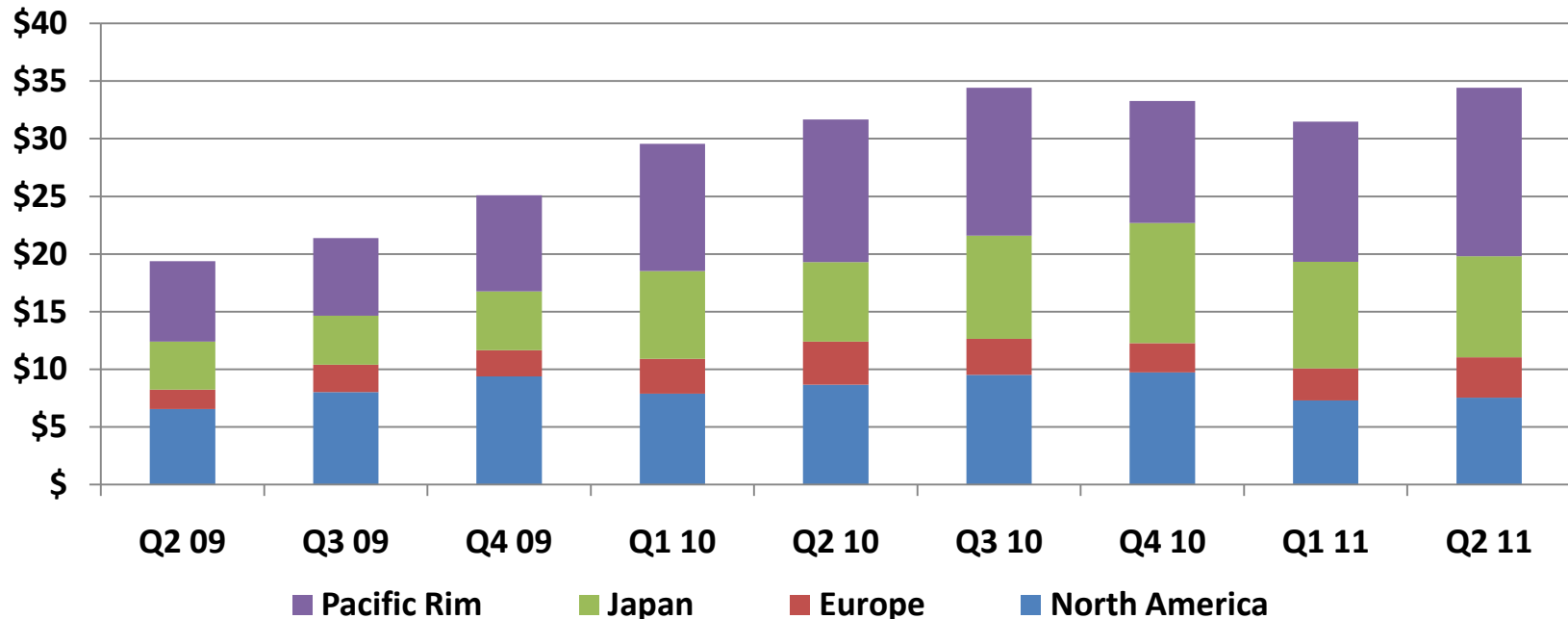


- **AMS** grew **3% vs. Q1'11** – Driven by CDR, 3Gb/s & backplane product growth
- Strong **Optical** performance including Nanotech - **26% QoQ, 23% YoY**



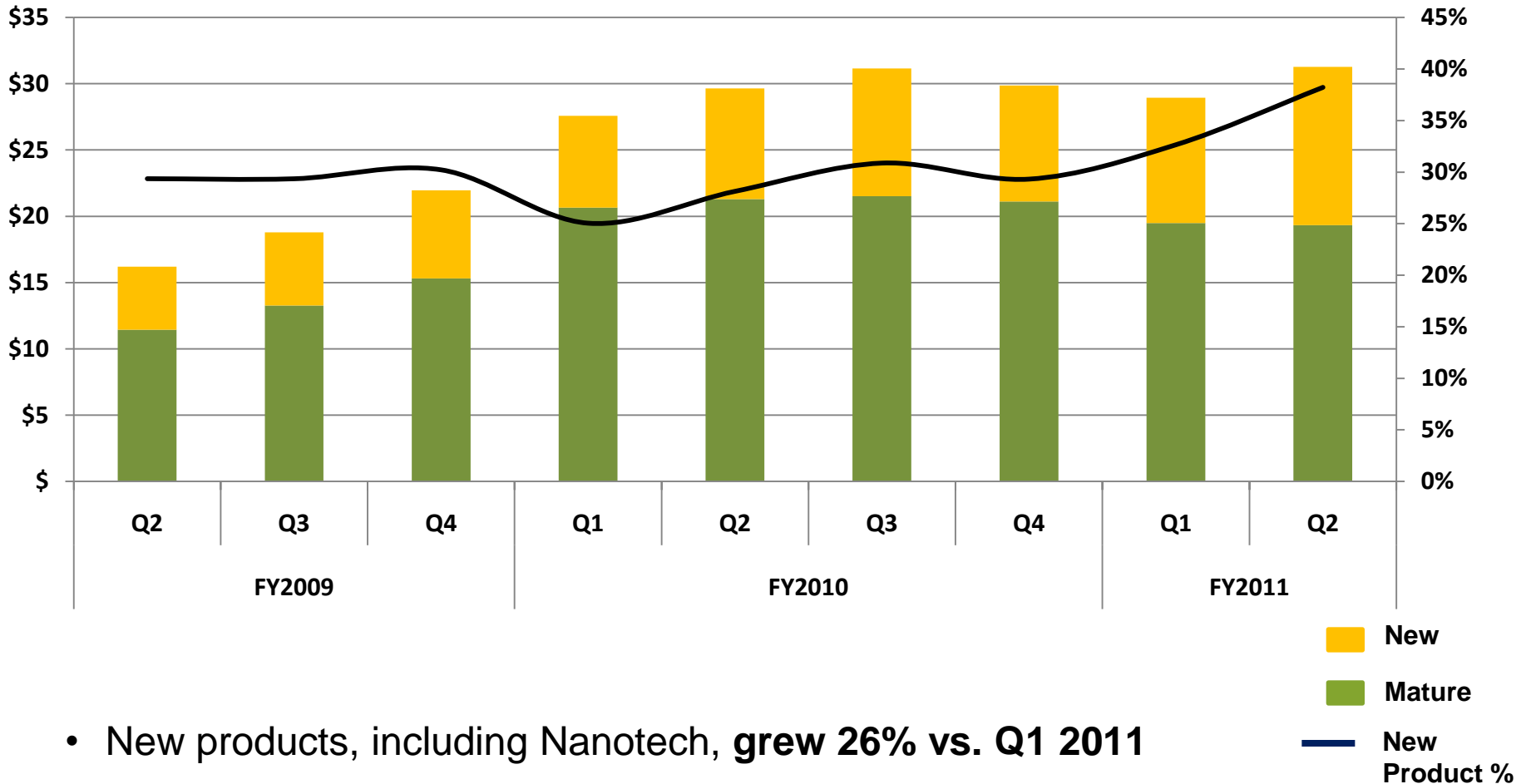
Regional Performance

Quarterly Regional Revenue Performance (\$M)



- **Pacific Rim** exceptionally strong – **Increased 20% QoQ & 18% YoY**
- **EMEA** strength improving – **Growing 26% QoQ**
- **North America** remains a stable contributor
- **Japan** declined **5% vs. Q1'11** , however **increased 27% vs. Q2 '10**

New Products Driving Growth



- New products, including Nanotech, **grew 26% vs. Q1 2011**
- New products now **38% of product revenue**
- Healthy demand for backplane, CDRs, & Optical transceiver IC products
- Mature products remain stable vs. Q1'11

Embarking on Final Manufacturing Transition

- Fully outsourcing our **probe, packaging, test, stores and logistics** capabilities
- **Our goals for this transition:**
 - Strengthen our operational capability
 - Maintain our financial competitiveness

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Greg Miller

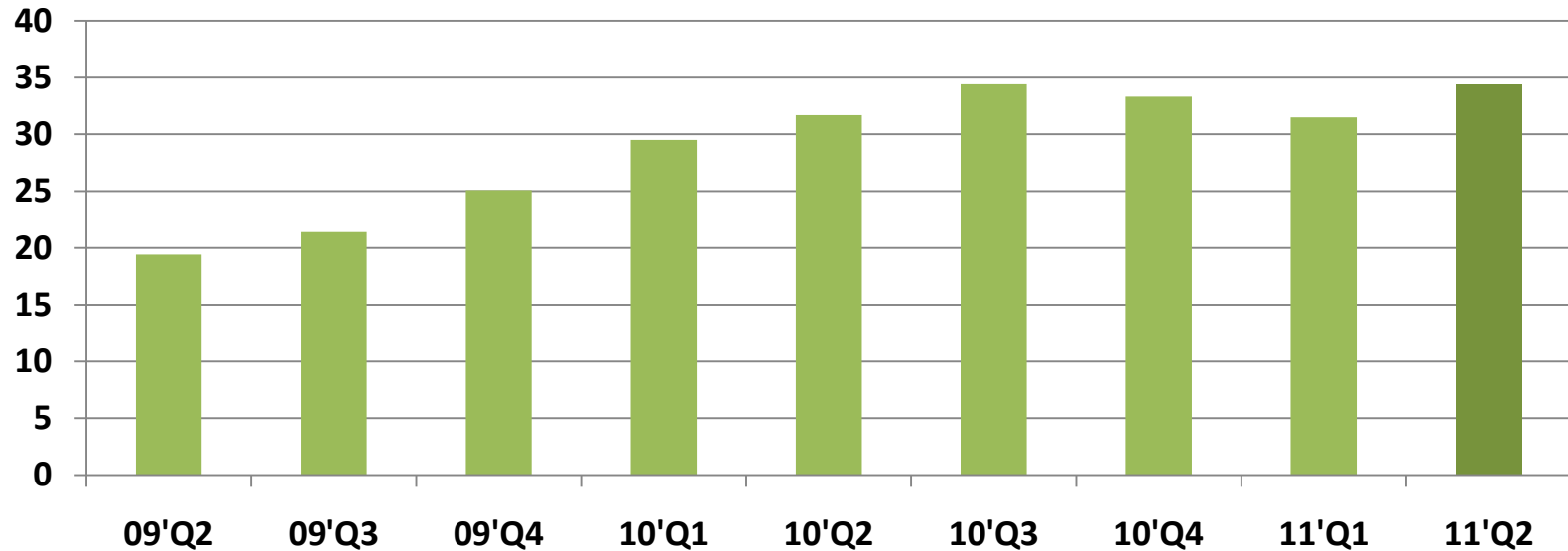
SVP, Finance & Administration and CFO

June 22, 2011



Revenue Performance

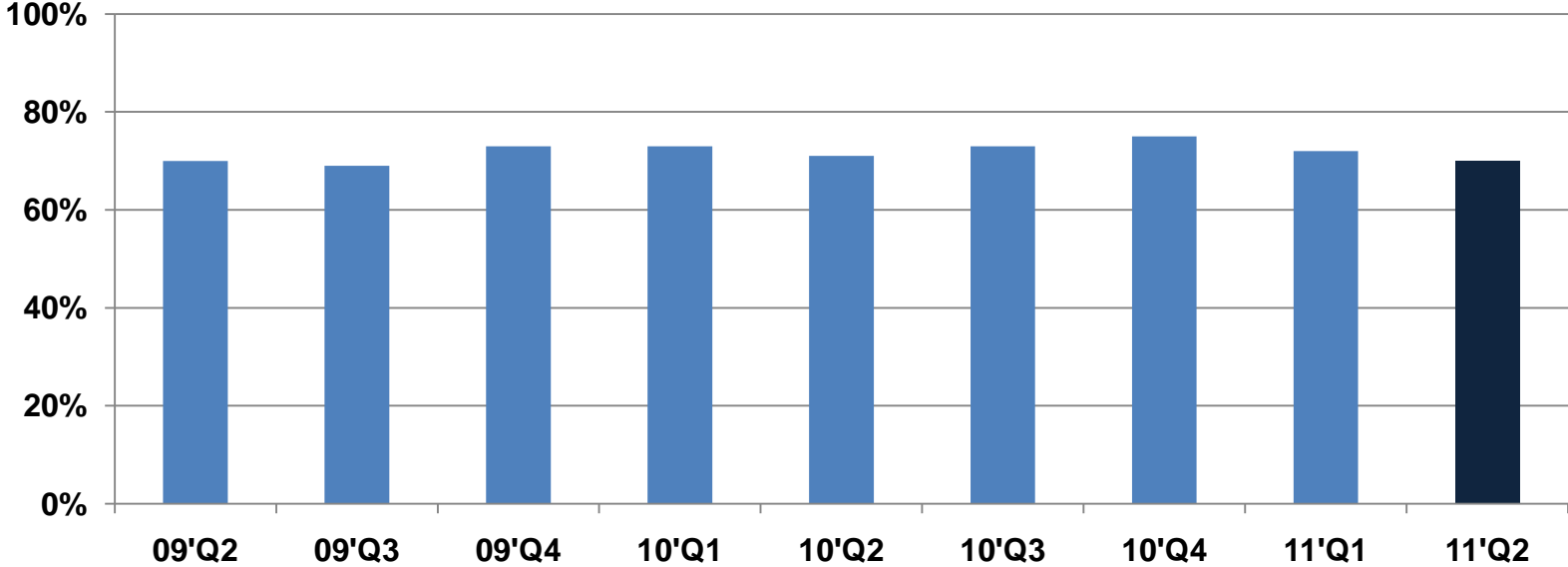
Quarterly Revenue (\$M)



- 9% revenue growth compared to Q1 2011 and Q2 2010
- Increased revenue vs. Q1'11 in all three product portfolios
- Nanotech contributed \$2.2 million to product revenue in the quarter

Gross Margin Solid

Quarterly Gross Margin %



Gross margin stable at 70%

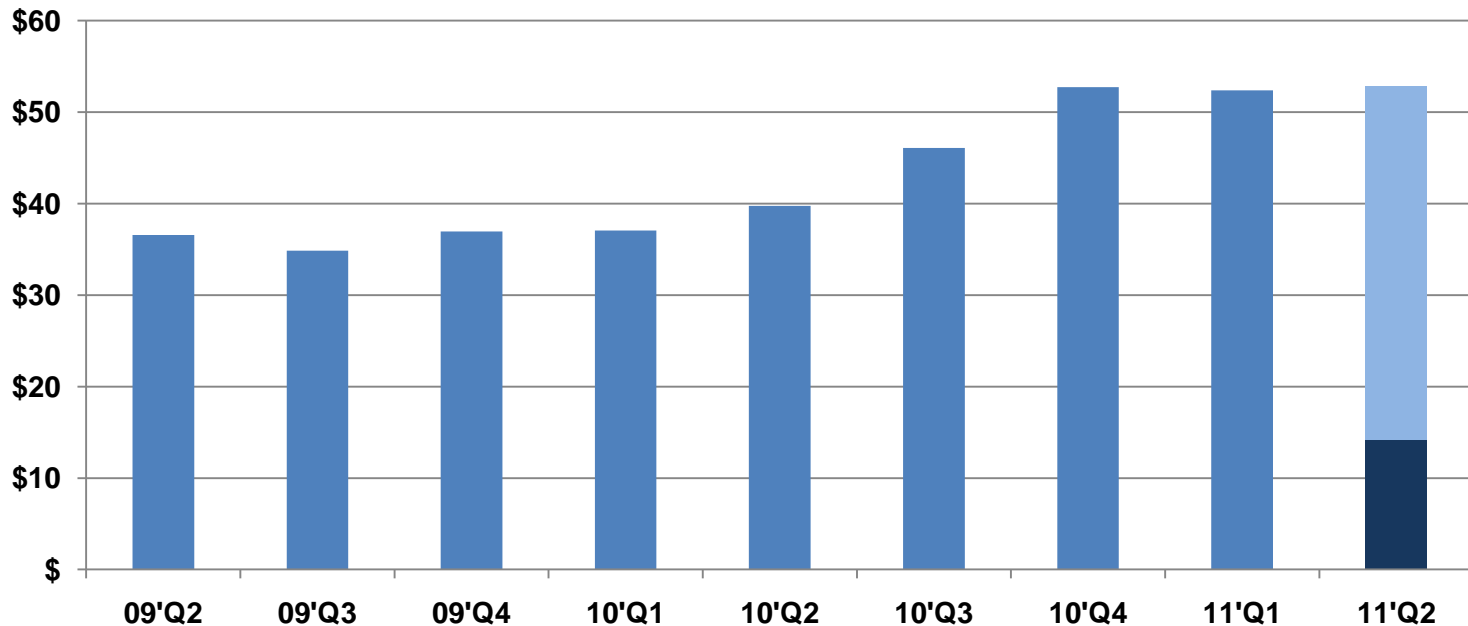
Non-GAAP Performance

	Gennum Pre-Nanotech Consolidated Statement of Earnings	Unadjusted Nanotech Statement of Earnings	Results from the Consolidated Entity, Excluding Certain Purchase Accounting Impacts	Purchase Accounting Impacts	Consolidated Statement of Earnings
	Non-GAAP	Non-GAAP	Non-GAAP		GAAP
Revenue	32.2	2.2	34.4	---	34.4
Operating Income	5.3	0.5	5.8	(1.2)	4.6
Net Income	4.4	0.4	4.8	(1.2)	3.6
EPS	\$0.13	\$0.01	\$0.14	(\$0.04)	\$0.10

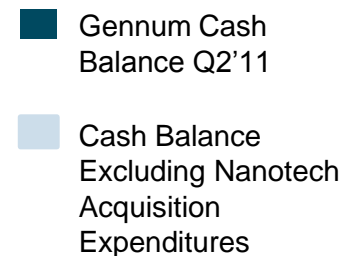
- Gennum Q2 2011 EPS excluding Nanotech acquisition was \$0.13
- Gennum and Nanotech results excluding certain purchase method accounting impacts was \$0.14 EPS
- Consolidated results, excluding one-time acquisition entries, but including ongoing Nanotech IP amortizations, was \$0.13 EPS

Cash Summary

Quarterly Cash Balance (\$M)



- Q2 cash and equivalents of \$14.2M
- Nanotech acquisition in Q2 consumed \$35.9M for the purchase, \$2.8M in deferred compensation
- Expect to generate cash in remainder of 2011



Final Phase of Manufacturing Transition Underway

- Transition supports fabless operations & manufacturing strategy
- Formalizing plan and beginning transition in Q3 2011
- Expect transition plan to be completed by 2012
- Full impact and cost of the program are still being finalized
- Expect restructuring charges of between \$3.3M - \$3.8M and between \$0.5 - \$0.7 million of operating expenses
- Cost savings from this program are part of an overall program to maintain competitive market position

**All estimates are preliminary and may change as detailed estimates are completed during the third quarter.



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Business Performance

- Q3 order book modestly ahead of Q2 order levels at this time
- Monitoring efforts by our Japanese customers to bring production back to full capacity
- Potential continuing moderate impact to business in Q3 – Improving through 2H 2011

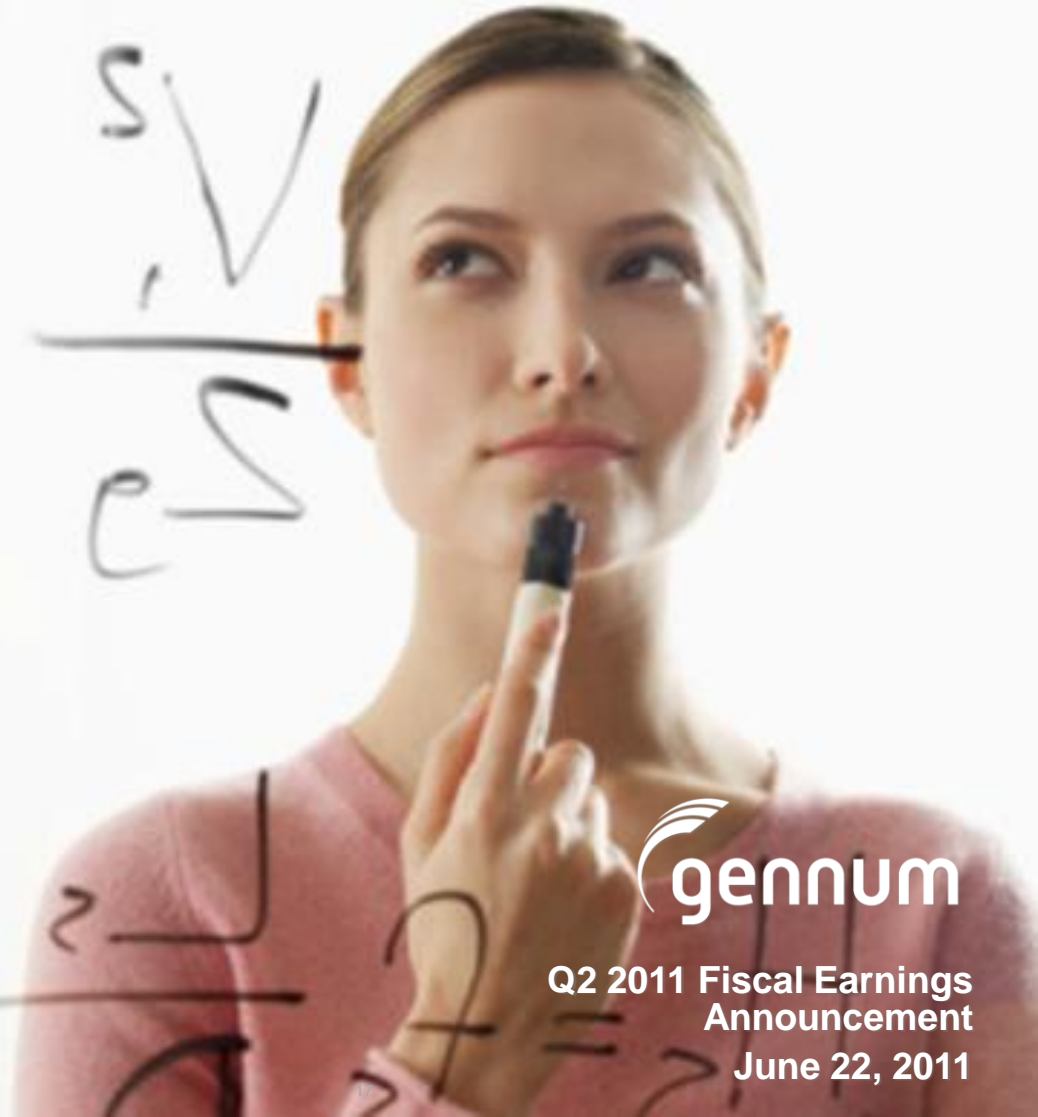
Evolving our Business

- Embarking on the final phase of outsourcing test and logistics functions
- Expect to strengthen operational capability and maintain financial competitiveness
- Formalize and beginning execution of plan in Q3 2011

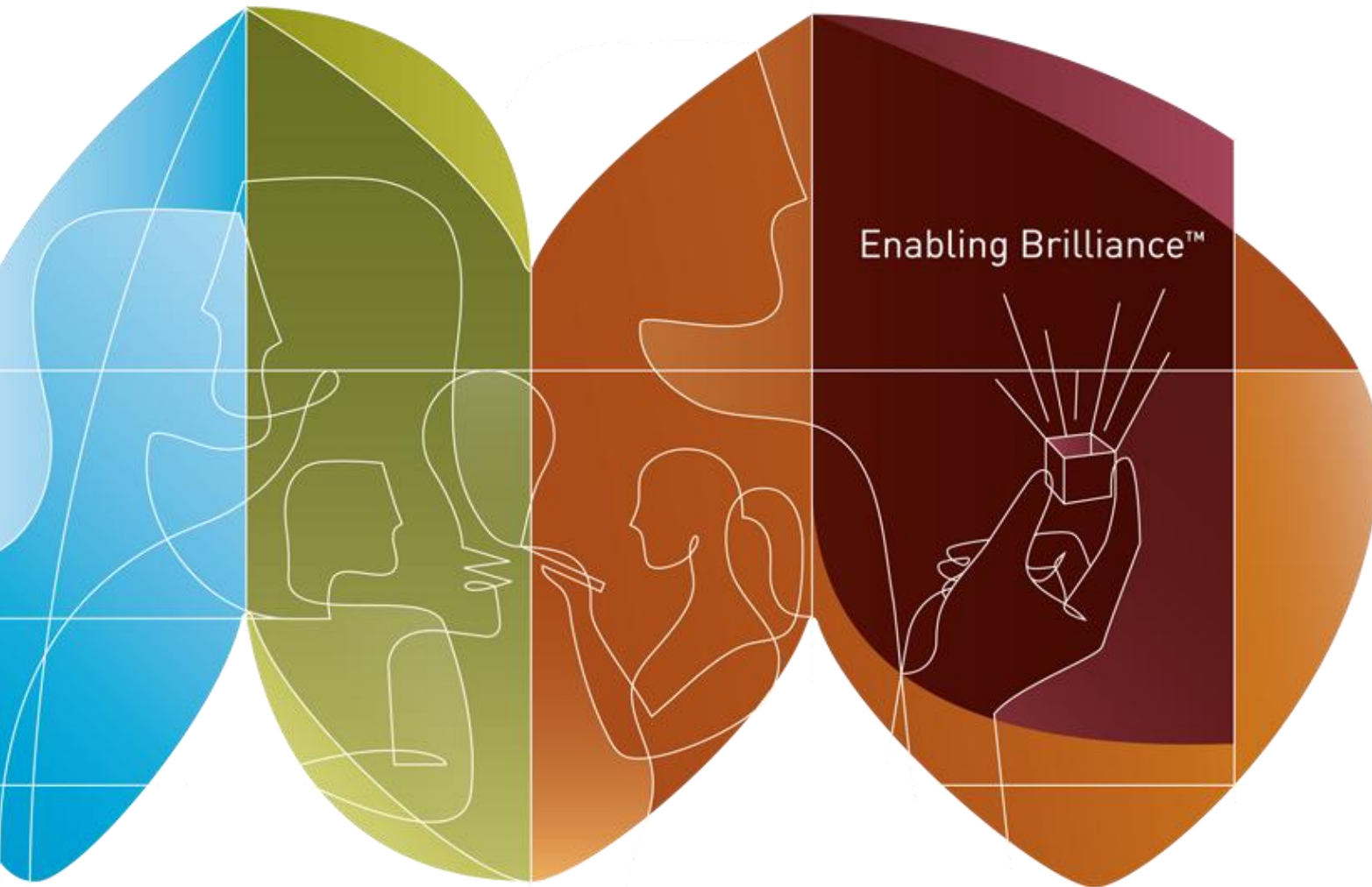
Strong Opportunities to Increase Shareholder Value

- Design wins and customer activities remain strong for new products
- Continuing to execute against our business strategy & investing in our portfolio

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Q2 2011 Fiscal Earnings
Announcement
June 22, 2011



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