

✓ **MOSAID
Technologies Incorporated**

✓ *First Quarter Fiscal 2007 Results
August 24, 2006*

✓ Business Overview

- > Strong start to fiscal 2007
 - First quarter revenues up 61% year-over-year
 - Net income up 50%
- > MOSAID in its third year of substantial revenue and profit growth
 - Revenue up 125% in two years (FY04 to FY06)
 - Net profit 24% in fiscal 2006, 29% in Q1 fiscal 2007
 - Guiding fiscal 2007 to be highest revenue, most profitable in the Company's history



Business Overview

MOSAID Breaks Into Top Ten

- > We are establishing MOSAID as one of the world's premier Semiconductor Intellectual Property (Semiconductor IP) companies
- > Semiconductor IP market share rankings
 - 2005 – MOSAID is 7th largest Semiconductor IP company (Gartner, May 2006)
 - 2004 – MOSAID is #18 (Gartner, May 2005)
- > Focus on long-term development of IP
 - Peter Gillingham appointed to new position of Chief Technology Officer



Business Overview

Achieving Long-term Growth

- > MOSAID has achieved its current market position and strong financial results by:
 - Capitalizing on its intellectual property through aggressive patent licensing program, based primarily on in-house development of semiconductor circuit design products
- > Management's objective
 - Continue to invest to achieve long-term growth and profitability objectives, balanced by actions that provide direct returns to shareholders



Intellectual Property Division

Operational Highlights – Patent Licensing

- > Intellectual Property Division reports highly profitable Q1 FY07
 - Revenues \$19.9 million, segment profit of \$12.8 million, or 64% of segment revenues
 - PortalPlayer license drives increase in Q1 revenues
- > Patent Licensing
 - Groundbreaking PortalPlayer agreement extends reach into portable media market
 - MOSAID to receive share of sublicense revenues
 - Sells 25 patents to PortalPlayer



✓ Intellectual Property Division Operational Highlights – Patent Licensing

- > MOSAID signs six-year license with Infineon and Qimonda
 - Buys 50 patents from Infineon and Qimonda
 - Broadens reach into power management, semiconductor process technology, other areas
 - Staff researching patent applicability
- > Entered into litigation with Micron Technology, Powerchip Semiconductor, and ProMOS Technologies





Intellectual Property Division

Patent Licensing (cont'd)

- > Growing patent portfolio
 - 654 patents issued or pending, up from 584 in Q4
- > Next steps: continue asserting patent rights, broaden reach of patent license program
 - 14 companies on notice for patent infringement
 - Secure further embedded DRAM licenses, mine networking portfolio for opportunities
 - First manufacturer of networking equipment on notice
 - Continue developing patentable technology
 - Semiconductor IP products and Flash memory technology
 - Continue assessing patent acquisition opportunities



Intellectual Property Division

Operational Highlights – Semiconductor IP

- > MOSAID Semiconductor IP products group making solid progress
- > Global Semiconductor IP growth market
 - Up 16% to US\$1.4 billion in 2005, estimated 25% growth to US\$1.8 billion in 2006
- > MOSAID brings to market three silicon-proven product lines – Mobilize, Maestro, Memorize

MOSAID

Mobilize™
The Mobilize logo features the word "Mobilize" in a bold, black, sans-serif font. To the right of the text is a blue swoosh that starts under the 'i' and curves upwards and to the right, ending under the 'e'. A small trademark symbol (TM) is located at the bottom right of the word.

MOSAID

Maestro™
The Maestro logo features the word "Maestro" in a bold, black, sans-serif font. Above the 'o' is a green circle containing a white waveform. A small trademark symbol (TM) is located at the bottom right of the word.

MOSAID

Memorize™
The Memorize logo features the word "Memorize" in a bold, black, sans-serif font. Above the 'o' is an orange icon of a hand holding a pen. A small trademark symbol (TM) is located at the bottom right of the word.



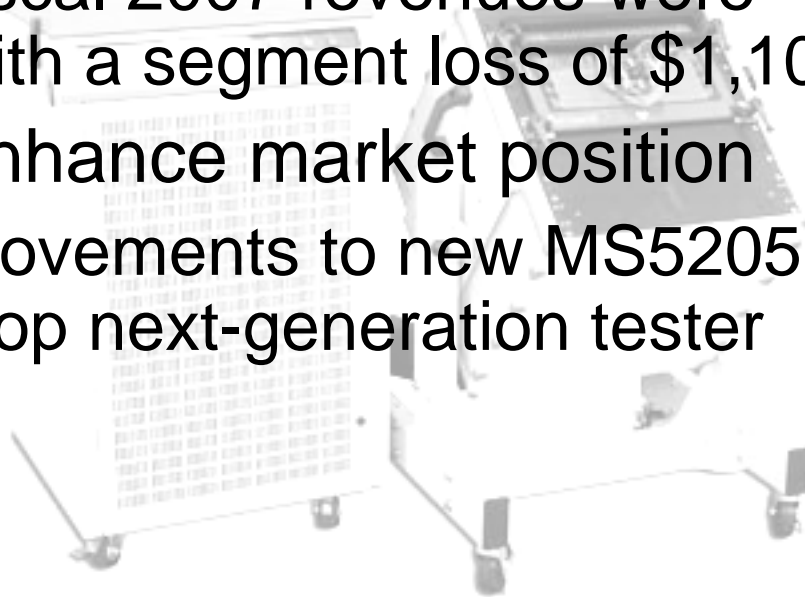
Intellectual Property Division

Operational Highlights – Semiconductor IP

- > Semiconductor IP product group is generating new patents
 - 3 issued patents, 56 patents pending, one new invention per month
- > Products gaining traction
 - Q1 FY07 – bookings result in highest backlog since acquisition of Virtual Silicon Technology
- > Driving the business – industry veteran Michael Kaskowitz named Senior Vice President, Semiconductor IP

✓ Systems Division Operational Highlights

- > Soft first and second quarters, expected recovery in fiscal 2007 second half
- > Q1 results impacted by weaker customer demand, ongoing product development costs
 - First quarter fiscal 2007 revenues were \$3,027,000, with a segment loss of \$1,108,000
- > Maintain and enhance market position
 - Introduce improvements to new MS5205 test product, develop next-generation tester



✓ Business Event – MOSAID Rejects Activist Hedge Fund Demand

- > Loeb Partners demands Board of Directors hire investment banker to sell the company in a publicly disclosed process
- > Board forms Special Committee of independent directors to handle matter
- > Special Committee rejects Loeb demand
 - Sale of company in a publicly disclosed process not in shareholders' best interests
 - Continue executing on board-approved business plan targeted at delivering superior financial results

✓ MOSAID's Vision

- > Build one of world's premier Intellectual Property companies
- > MOSAID today – a growth-oriented technology business marked by sustainable revenues, consistent profitability, ongoing innovation, direct returns to shareholders
- > Deliver on long-term growth and profitability objectives to maximize shareholder value



Financial Highlights

- > Q1 FY07 compared with Q1 FY06
 - Revenues \$22.9 million vs. \$14.2 million last year
 - Net income \$6.7 million or \$0.58 per diluted share vs. \$4.4 million or \$0.38 per diluted share
- > Cash balance and marketable securities at end of Q1 totaled \$68.7 million, compared with \$71.3 million at end of FY06
 - Working capital at end of Q1 was \$78.1 million, up from \$75.4 million at end of fiscal FY06
- > Quarterly dividend of \$0.25 per diluted share
- > Normal Course Issuer Bid
 - 80,000 shares bought and cancelled for \$1.9 million in Q1 FY07

✓ Financial Highlights (cont'd)

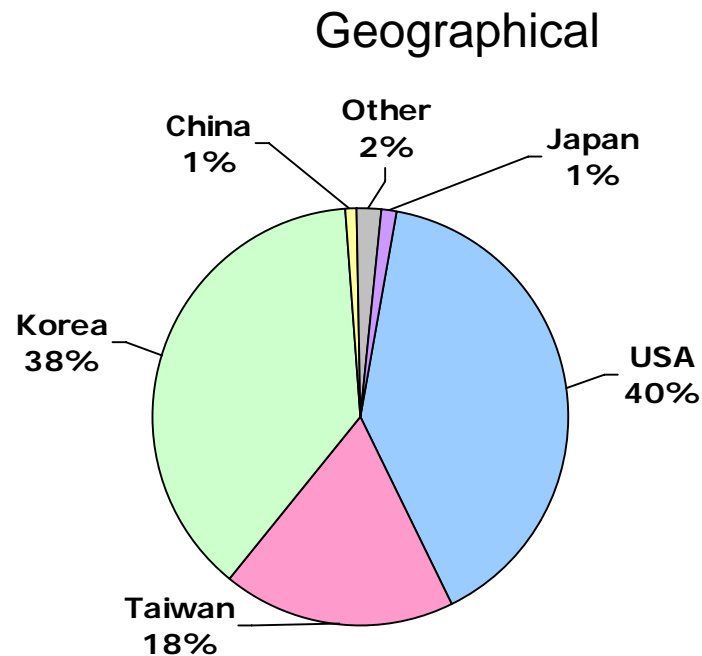
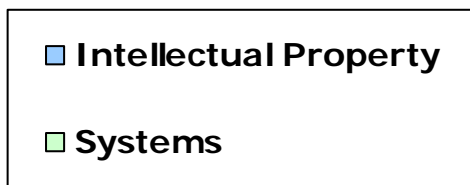
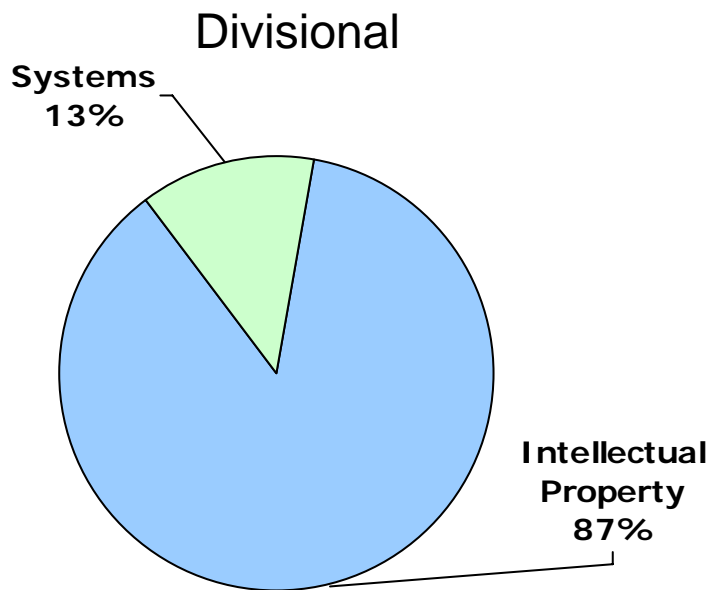
- > Guidance for second quarter of fiscal 2007
 - Revenue of \$20.0 million to \$21.0 million
 - Net earnings of \$4.5 million to \$5.0 million

- > Guidance for fiscal 2007 unchanged
 - Revenue of \$83.0 to \$88.0 million
 - Net earnings of \$21.0 to \$23.0 million



Segmented Revenues From Operations

Quarter Ended July 31, 2006



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www.mosaid.com