



## ***NEWS ANNOUNCEMENT***

***FOR IMMEDIATE RELEASE***

### **SMSC and Symwave Join Forces to Capitalize on Growth of USB 3.0**

**HAUPPAUGE, NY and LAGUNA NIGUEL, CA., – August 6, 2009** - SMSC (NASDAQ: SMSC), a leading semiconductor provider of Smart Mixed-Signal Connectivity™ solutions, and Symwave, Inc., a leading silicon supplier of system solutions for SuperSpeed USB devices, announced today a strategic relationship with the objective to accelerate delivery of superior end-to-end USB 3.0 solutions into high volume mobile, consumer and computing segments. Under the agreement, SMSC has made an initial cash investment of \$4 million in Symwave, and SMSC's President and Chief Executive Officer, Christine King, will join Symwave's Board of Directors. As part of the relationship, SMSC has committed to an additional \$1.3 million investment if required by Symwave and has obtained the right to acquire Symwave under certain conditions.

Symwave is a private semiconductor supplier headquartered in Laguna Niguel, CA, with design centers in San Diego, CA and Shenzhen, China and approximately 100 employees worldwide. Symwave develops software-intensive high-performance analog/mixed-signal System-on-Chip (SoC) solutions for rapidly emerging USB 3.0 based consumer devices including external storage, cellular phones, media players, camcorders, and digital cameras.

"Symwave has assembled a talented team and they have developed a product roadmap which is complementary to SMSC's own plans for SuperSpeed USB," said Christine King, President and CEO of SMSC. "In addition, our relationship will give us an option to access a new segment of the USB 3.0 market, which could broaden our applications opportunity beyond PCs, personal media players and smartphones into storage."

The USB 3.0 standard, released in November 2008 is the latest technology evolution of the ubiquitous Universal Serial Bus, first introduced in 1996. Supporting a 5 gigabit per second signaling rate, USB 3.0 delivers ten times the rate of USB 2.0, and is backward-compatible with all existing and legacy USB 2.0 ports and devices. Additionally, USB 3.0 delivers nearly double the

bus powering and charging capability, improves device power management and includes significant host or PC performance improvements.

“SMSC is a recognized leader in some of the most pervasive USB applications today, with proven quality, innovation and high volume production,” said Yossi Cohen, President and CEO of Symwave. “Collaborating with SMSC will enable Symwave to better execute on our business plan and add tremendous momentum to achieving our goals while simultaneously expanding our USB 3.0 market presence.”

### **About SMSC**

SMSC is a leading developer of Smart Mixed-Signal Connectivity™ solutions. SMSC employs a unique systems level approach that incorporates a broad set of technologies and intellectual property to deliver differentiating products to its customers. The company is focused on creating connectivity solutions that enable the proliferation of data in personal computers, automobiles, portable consumer devices and other applications. SMSC’s feature-rich products drive a number of industry standards and include USB, MOST® automotive networking, embedded system control and analog solutions, including thermal management and RightTouch™ capacitive sensing. SMSC is headquartered in New York and has offices and research facilities in North America, Asia and Europe. Additional information is available at [www.smisc.com](http://www.smisc.com).

*SMSC and MOST are registered trademarks and Smart Mixed-Signal Connectivity and RightTouch are trademarks of Standard Microsystems Corporation. All other trademarks, product and company names are the property of their respective owners.*

### **About Symwave, Inc.**

Symwave is a global fabless semiconductor company developing connectivity SoCs (System-On-Chip) and software solutions that enable PCs and other consumer electronic devices to realize the benefits of USB 3.0. USB 3.0 (SuperSpeed USB) improves device power management, transfers data tenfold faster and maintains backwards compatibility with the billions of USB ports shipped to date. Symwave’s high-performance mixed-signal products leverage the company’s proprietary mixed-signal technology, IP and silicon design capabilities to bring the benefits of uncompromised speed in low-cost standard CMOS processes. The company is privately held with headquarters in Orange County, Calif., and design centers in Shenzhen, China, and San Diego, Calif. Symwave is backed by top-tier venture capital firms including Kodiak Venture Partners and CMEA Ventures. Additional information is available at [www.symwave.com](http://www.symwave.com).

### **Forward Looking Statements**

Except for historical information contained herein, the matters discussed in this announcement are forward-looking statements about expected future events and financial and operating results that involve risks and uncertainties. These uncertainties may cause our actual future results to be materially different from those discussed in forward-looking statements. Our risks and uncertainties include the timely development and market acceptance of new products; the impact of competitive products and pricing; our ability to procure capacity from our suppliers and the timely performance of their obligations, commodity prices, interest rates and foreign exchange, potential investment losses as a result of liquidity conditions, the effects of changing economic and political conditions in the market domestically and internationally and on our customers; our relationships with and dependence on customers and growth rates in the personal computer, consumer electronics and embedded and automotive markets and within our sales channel; changes in customer order patterns, including order cancellations or reduced bookings; the effects of tariff, import and currency regulation; potential or actual litigation; and excess or obsolete inventory and variations in inventory

valuation, among others. In addition, SMSC competes in the semiconductor industry, which has historically been characterized by intense competition, rapid technological change, cyclical market patterns, price erosion and periods of mismatched supply and demand.

Our forward looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations and may not reflect the potential impact of any future acquisitions, mergers or divestitures. All forward-looking statements speak only as of the date hereof and are based upon the information available to SMSC at this time. Such statements are subject to change, and the Company does not undertake to update such statements, except to the extent required under applicable law and regulation. These and other risks and uncertainties, including potential liability resulting from pending or future litigation, are detailed from time to time in the Company's reports filed with the SEC. Investors are advised to read the Company's Annual Report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission, particularly those sections entitled "Other Factors That May Affect Future Operating Results" or "Risk Factors" for a more complete discussion of these and other risks and uncertainties.

**Contact: SMSC**

Carolynne Borders, Sr. Director Corporate  
Communications and Investor Relations  
631-435-6626  
[Carolynne.Borders@smc.com](mailto:Carolynne.Borders@smc.com)

**Contact: Symwave**

John O'Neill  
Vice President of Marketing  
949-542-4400  
[john.oneill@symwave.com](mailto:john.oneill@symwave.com)

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