



SMSC REDEFINES HOW CONSUMER TRANSFER DIGITAL IMAGES FROM CAMERA PHONES TO PCs AND OTHER DEVICES

Introduces Industry's First Integrated Chip Combining USB2.0, Infrared and Flash Media Technology to Enable a Simple "Point-and-Shoot" Experience

<http://www.smsc.com/whatsnew/pr/usb2230pr.html>

HAUPPAUGE, NY, May 9, 2005 — Setting free over billions of digital camera phone images is no easy task, but now consumers can have a simple, cost-effective alternative for transferring images to their PCs or media devices. Today, SMSC (NASDAQ: SMSC), a leading semiconductor company delivering innovative system solutions spanning analog, digital and mixed-signal technologies unveiled its USB2230 USB-to-Infrared and 15-in-1 flash media device controller. This industry-first solution combines flash media and infrared technology, enabling designers to deliver a simple point-and-shoot experience. Consumers can now easily and affordably transfer digital images from their camera phones and other Infrared Data Association (IrDA) enabled devices in a manner consistent with how they transfer images from their Digital Still Cameras (DSCs).

"Cell phone cameras have expanded the boundaries of digital photography," said Morry Marshall, Vice President of Strategic Technologies, Semico Research Corp. "However, many consumers don't know how to download the photos from their camera phone, so the pictures are shown to friends or family and then erased. Downloading requires a connecting cable, too challenging and cumbersome, or a telephone data connection, too slow and expensive. The SMSC infrared solution, combined with a flash card reader provides a simple, speedy, intuitive connection, point and download, which should find a ready market."

Designers of products interfacing with camera phones are faced with consumers requiring more control over time and content, and by providing both a flash memory reader and IrDA transfer support, consumers will now have a common interface point to meet most of their digital photography needs. As camera phones continue to outsell DSCs and move to 1.0-megapixels (MPs) and beyond, IrDA provides an ideal user experience that is intuitive and secure. The alignment of flash media and infrared onto a single chip addresses the issues of time and cost by saving not only months in engineering time associated with software integration, but can also drive down costs by nearly 60 percent in hardware alone.

"While all markets demand better, faster, cheaper solutions, nowhere does that ring more true than in designing consumer electronics products," said Steve Nelson, Vice President of Marketing - Connectivity Solutions at SMSC. "Our focus has always been to deliver the most appropriate technologies that solve today's design problems, specifically addressing designers' stringent cost, standardization and ease-of-use requirements. By continually expanding what's possible, we are enabling our customers to design products that allow end-users to connect to the information that means the most to them, quickly, easily and intuitively."

Picture Perfect Solution

While the ability to send pictures from cameras to TVs has been around for some time, it has usually meant dealing with special cables and has not been readily accepted by consumers. However, designers can now integrate the USB2230 device controller into PCs, photo kiosks, TVs, set-top boxes, printers or other receiving devices that will allow consumers to send pictures wirelessly. Compared with other wireless solutions, infrared is a convenient, low-power and low-cost technology with over a half billion nodes installed in the world today, according to the IrDA. Instead of paying \$0.25 to \$0.40 per picture via a cellular network, the USB2230 allows developers to provide a choice of beaming their pictures wirelessly to PCs, printers or other IrDA-enabled devices for free.

Delivering data rates of up to 4Mbps using the industry-standard IrDA Fast Infrared (FIR) protocol, SMSC's USB2230 controller is capable of sending a VGA-quality image from a camera phone or PDA in about three seconds. The USB2230 controller is capable of running both a USB-to-IrDA connection and a USB to flash media card connection over a single USB port. The use of USB2.0 connection allows the device to be placed up to five meters away from the host system board, enabling a new level of flexibility in product mechanical design and embedded software integration.

Key Features

IrDA Controller

IrDA v1.1 FIR and SIR Compliant Controller with 9.6K, 19.2K, 38.4K, 57.6K, 115.2K, 0.576Mbps, 1.152Mbps and 4Mbps data rate support.

Flash Media Controller

Supports the following formats: SmartMedia™, xD-Picture Card™, Memory Stick™, High Speed Memory Stick™, Memory Stick PRO™, MS Duo™, Secure Digital (SD), High Speed SD, Mini-Secure Digital™, TransFlash™ SD, MultiMediaCard™, Reduced Size MultiMediaCard, NAND Flash, CompactFlash™ (CF), and CF Ultra™ I & II and CF form factor ATA hard drives.

USB2.0 bus.3.3Volt (V) I/O 5V input tolerance on VBUS/GPIO3.

Capable of operation from the following memory configurations: 128K External program Flash, internal 76K program ROM or configuration of ROM code features via external serial EEPROM.

8051 8-bit microprocessor - 30 Mhz execution speed at 1 clock per instruction cycle average.

128 Pin TQFP package.

Compatible with Microsoft® Windows® XP, Windows® Me, Windows® 2000 SP3, Apple® OS10®, SoftConnex and Linux Multi-LUN mass storage class drivers.

Availability & Pricing

Samples of the USB2230 are available now with production quantities available in June. Pricing will be \$4.99 per unit (U.S. list price) in 10K quantities.

About SMSC:

Many of the world's most successful global technology companies rely upon SMSC as a go-to resource for semiconductor system solutions that span analog, digital and mixed-signal technologies. Leveraging substantial intellectual property, integration expertise and a comprehensive global infrastructure, SMSC solves design challenges and delivers performance, space, cost and time-to-market advantages to its customers. SMSC's application focus targets high-growth vertical markets including mobile and desktop PCs, servers, consumer electronics, automotive infotainment and industrial applications. The Company has developed leadership positions in its select markets by providing application specific solutions such as mixed-signal PC system controllers, non-PCI Ethernet, ARCNET, MOST, USB2.0 and other high-speed serial communications.

SMSC is based in Hauppauge, New York with operations in North America, Taiwan, Japan, Korea, China and Europe. Engineering design centers are located in Arizona, New York, Texas, and Karlsruhe, Germany. Additional information is available at www.smsc.com.

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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 include the timely development and market acceptance of new products; the impact of competitive products and pricing; the effect of changing economic conditions in domestic and international markets; changes in customer order patterns, including loss of key customers or distributors, order cancellations or reduced bookings; and excess or obsolete inventory and variations in inventory valuation, among others. Such 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.

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. In addition, sales of many of the Company's products depend largely on sales of personal computers and peripheral devices, as well as general industry and market conditions. Reductions in the rate of growth of the PC, consumer electronics, embedded or automotive markets could adversely affect its operating results. SMSC conducts business outside the United States and is subject to tariff and import regulations and currency fluctuations, which may have an effect on its business. All forward-looking statements speak only as of the date hereof and are based upon the information available to SMSC at this time. Such information is subject to change, and the Company may not necessarily inform, or be required to inform, investors of such changes. 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" for a more complete discussion of these and other risks and uncertainties.

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SMSC Contacts

Corporate Communications: Media Contacts:
Carolynne Borders Jennifer Bader
Director of Corporate Communications Senior Counsel
SMSC McClenahan Bruer Communications
80 Arkay Drive 1500 SW 12th Ave.
Hauppauge, NY 11788 Portland, OR 97201
Voice: 631-435-6626 Voice: 503-546-1020
Fax: 631-273-5550 Fax: 503-546-1001
E-mail: carolynne.borders@smsc.com Email: Jennifer@mcbbru.com