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**For Immediate Release**

**“NEW INNOVATIONS IN FPGAs TAKE THE INDUSTRY BEYOND THE BENEFITS OF MOORE’S LAW,”  
ALTERA MARKETING DIRECTOR TELLS “A CONVERSATION WITH SEMITRENDS” AUDIENCE**

**Density and I/O Performance Advances Starting at the 28-nm Process Node To Dramatically Increase  
Capabilities of FPGAs and their Competitive Position Versus ASICs and ASSPs**

Dallas, TX—Feb, 4, 2010—The decades-old battle between ASICs (applications specific integrated circuits) and FPGAs (field programmable gate arrays) has reached an inflection point where electronic systems producers are looking to design with FPGAs instead of ASICs, an Altera Corp. (NASDAQ: ALTR) marketing director told members of the financial community today.

Speaking on “A Conversation With SemiTrends,” Luanne Schirrmeister, Altera’s senior director of component product marketing, noted there are two primary factors for the change: “Density and performance of FPGAs have improved dramatically.” Also, she noted, “product life cycles have been affected by the aggressive rate of innovation in technology markets today.”

Other factors are driving the move from ASICs to FPGAs. These include the risk profile of implementing an ASIC. “ASIC NRE (non-recurring engineering) costs are increasing dramatically and a lot of company’s cannot afford to implement an ASIC, turning to a programmable solution as the best solution,” Schirrmeister said.

With the introduction of mobile broadband, there has been a massive increase in the bandwidth requirements for most electronic systems. “These bandwidth requirements, mixed with a lack of standards in the industry,” Schirrmeister said, “causes customers to avoid creating a fixed-function solution for as long as they can through their product life cycle, until production volumes may dictate creating an ASIC, if it’s really necessary at all, because there are so few really high-volume, long-life applications anymore.” In the past, FPGAs were used primarily as a prototyping platform. “Now, it’s very common to see FPGAs used as the prototyping platform, the test platform and the production platform,” she noted.

From a customer perspective, the No. 1 reason that has changed, according to Schirrmeister, is ASIC NRE. “In order to build an ASIC, the amount of cash you have to put down up front, and be 100% confident that the feature set is correct, is one of the biggest challenges that customers face.” Secondly, it is about time-to-market. “It’s about how long it takes customers to get an ASIC ready and into the market. The markets are moving so fast today that customers need to turn a prototype product solution into production quickly to meet market demands. FPGAs make that possible,” she stated.

The Altera senior marketing director noted that one of the big trends in the market is that “there’s a strong bias toward higher and higher bandwidth that puts a lot of pressure on electronic hardware. It’s driven by things like SemiTrends/2

mobile broadband and everyone basically wanting to watch YouTube on their iPhones. The effect is that the packet networks and back-bone networks all need to be upgraded to support this level of bandwidth. That puts increased pressure on the hardware and all of the costs and power requirements have to be lowered,” she said.

Thus, earlier this week, Altera unveiled new technology innovations for their upcoming 28-nanometer FPGA product line that includes: customizable Embedded HardCopy Blocks that have the ability to enable the hardening of some functions within the FPGAs and make them like ASIC blocks; Partial Reconfiguration, which enables customers to leverage the flexibility of an FPGA to reduce overall density requirements, as well as cost and power; and high-speed 28-Gbps embedded transceivers that will dramatically improve the density and I/O performance of next-generation Altera FPGAs and further strengthen our competitive position versus ASICs and ASSPs. Such “new innovations take the industry beyond the benefits of Moore’s Law,” Schirrmeister stated.

“A Conversation With SemiTrends” is moderated by Managing Partner, Bruce LeBoss. In “A Conversation with SemiTrends,” we facilitate a hosted phone conversation outside of the usual earnings- and guidance-related calls. “A Conversation with SemiTrends” gives semiconductor industry executives an opportunity to look far beyond quarterly results and is an exclusive opportunity to share their thoughts on future trends and technology. It’s an opportunity to build relationships with individuals as unique as they are. Contact us today to arrange an interview.

Bill Williams, Head of 3rd party research at JNK Securities, co-hosted the call with SemiTrends and Altera. He said: “More and more companies realize that investors want hear more than just financials. JNK Securities with SemiTrends, provide unique access to the smartest and biggest shareholders of many tech companies out there. Giving these individuals an opportunity to interact with companies at a different level and outside the usual earning calls adds substantially to the opinion investors build.”

“The SemiTrends Conference call supports our efforts in building on the recently announced 28-nm innovations for our next-generation FPGAs. Talking to and involving the financial community enables investors to make more informed decisions, while further strengthening and extending our technology leadership. We see this as a win-win for all involved,” said James Adams, corporate marketing representative with Altera.

### **About SemiTrends**

SemiTrends is a Dallas-based company with worldwide coverage, operating as a virtual organization. The mission is to be the leading research provider on short, medium, and long term trends surrounding companies in and related to the semiconductor and greater technology value chains. Analysts utilize their experience and networks of contacts to execute primary research on specific segments of the semiconductor and greater technology industries. Outputs of the research include written reports conceptualized by the analysts and reports requested by our distribution partners and their clients. Additional deliverables include regular demand trackers, project specific primary research, company visits, conference calls to disseminate consultant research and also conference calls/executive roundtables with industry executives to highlight demand trends and company specific phenomena. SemiTrends' analysts are intellectual capitalists whose primary task is to help clients identify actionable trends (short, medium and long term) before the proverbial herd. More information on SemiTrends can be found at [www.semitrends.com](http://www.semitrends.com).

### **About JNK Securities**

Founded in 1993 as a direct access broker on the floor of the NYSE, JNK Securities Corp. has a long and unmatched history of providing the best institutional equity execution. JNK offers direct market access to listed and OTC markets. JNK Securities Corp. has assembled an exclusive and unparalleled portfolio of consultancies that work with clients to research, analyze and interpret investment ideas across a wide range of sectors. The Consultants,

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### **About Altera**

Altera programmable solutions enable system and semiconductor companies to rapidly and cost-effectively innovate, differentiate and win in their markets. Find out more about Altera's FPGA, CPLD and ASIC devices at [www.altera.com](http://www.altera.com).