

Contact: SemiTrends
Martin Jacobs, President & CEO
(858) 663-6767
martin@semitrends.com
or
Bruce LeBoss, Managing Partner
(650) 941-5146
leboss@semitrends.com

For Immediate Release

**“STRONG GROWTH IN 8-BIT MICROCONTROLLERS AS 4-BIT DESIGNS & ASICS MIGRATE,”
ATMEL MARKETING EXECUTIVE TELLS “A CONVERSATION WITH SEMITRENDS” AUDIENCE**

**Revolutionary maXTouch Touch-Screen Products Have “Endless List of Design Win Opportunities”;
“I Have Never Experienced Anything Like This in Atmel’s History,” Financial Community Told**

Dallas, TX—Feb, 11, 2010—There is still a lot of life and good growth opportunities in the 8-bit microcontroller market, as 4-bit microcontrollers and small ASIC (application-specific integrated circuit) designs migrate to new feature-rich 8-bit designs, an Atmel Corp. (NASDAQ: ATML) marketing executive told members of the financial community today.

Speaking on “A Conversation With SemiTrends,” Alf-Egil Bogen, Atmel’s vice president of corporate marketing and co-inventor of the AVR microcontroller architecture, said: “Atmel is focused on innovative technologies that adds value to the customer and enables them to make better products. Atmel’s maXTouch™ family of products are the first touch-screen solutions to support both the touch of a finger and a stylus, and to support an unlimited number of unique simultaneous touches. We have also been delivering new product introductions, with an increased focus on high-growth, high-margin microcontroller markets. We are investing in our industry-leading proprietary AVR® product line and expect strong revenue growth and continued share gains in the 8- and 32-bit MCU segments.”

Bogen noted that although one of the industry’s older technologies, 8-bit microcontrollers have seen a lot of development, especially, from the AVR side. “They are very, very powerful, and we get more and more memory integrated. The architecture supports larger memory and you can build very complex systems in an 8-bit microcontroller.” Citing Atmel’s AVR XMEGA as an example, Bogen said: “There’s a huge market for high-end applications that utilize the advanced feature sets that have been integrated.”

Overall, the 8-bit microcontroller market is experiencing “good growth,” Bogen said. This is due to “both the fact 8-bit microcontrollers have been developed more than people think, with the addition of more memory and more advanced features & peripherals, and also that there are a lot of other applications coming from 4-bit microcontrollers and small ASICs designs that are migrating over into 8-bit microcontrollers. There’s always a flow coming in from different places into that market,” he stated.

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For control applications and low power applications, for example, “an 8-bit microcontroller is still the preferred solution. Some companies try to confuse the customer by saying that a 32-bit microcontroller is ideal for everything. But it’s not,” Bogen said. “It’s more complicated to design with, higher cost, and higher power. 8-bit microcontrollers will be around for many years.”

According to Bogen, “There’s no doubt that 8-bit microcontrollers will take share from ASICs because their performance is getting so high and people want the flexibility. The time to get into the market, the window to get products into the market, is much shorter than it was 10 years ago. Also because their costs are coming down, people want to use 8-bit microcontrollers instead of developing an ASIC. “

What’s more, “there’s no NRE (non-recurring engineering) involved, which is very important as well,” Bogen noted. Nonetheless, very, high-end, specialized systems remain an area for ASICs. “But even these often contain microcontrollers in many applications. There’s no doubt that there’s a stream of ASICs coming into the 8-bit microcontroller area,” he said.

"Atmel is focused on innovative technologies that adds value to the customer and enables them to make better products. Atmel’s maXTouch™ family of products are the first touch-screen solutions to support both the touch of a finger and a stylus, and to support an unlimited number of unique simultaneous touches," said Alf-Egil Bogen, Atmel's Vice President of Corporate Marketing. "We have also been delivering new product introductions, with an increased focus on high-growth, high-margin microcontroller markets. We are investing in our industry-leading proprietary AVR® product line and expect strong revenue growth and continued share gains in the 8- and 32-bit MCU segments

Mr. Bogen was also enthusiastic about the prospects for Atmel’s maXTouch controllers which integrate an AVR processor, a very advanced high-performance analog front-end, two dedicated digital signal processors, and advanced algorithms for analysis of signals from the sensor. “It’s a system that combines analog, computing and control applications, all at every low power,” he stated.

Typical applications for maXTouch controllers include the handset market, “that is exploding,” as well as netbooks, pads, GPS units, printer interfaces. “There’s an endless list of demand for this technology. I don’t think we have experienced anything like this in Atmel’s history. We have an endless stream of people who want this technology built into products,’ Bogen noted. There’s great customer interest in maXTouch technology for use in industrial control panels and automotive applications, as well as a wide range of products for consumers. “There’s no end to where you can use touch-screen technology when the costs come to a level where you can put it in more low-end applications, as well,” he concluded.

“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 Atmel. 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.”

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According to Robert Pursel, Atmel's director of investor relations, "I found the SemiTrends conference call was particularly useful. "A Conversation With SemiTrends" saves management the time and logistical challenges of traveling out to meet investors at conference venues and allows investors to hear from more than the typical 'C' level executive they see on the road or on bus tours."

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.

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 list 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, having spent their professional careers in their respective sectors have an in-depth knowledge of the technologies and market trends that drive the competitive landscape. The JNK business model allows clients to work with consultants in any capacity. Research includes daily industry reports, conferences and on demand projects. Sectors Covered are Semiconductors, Cable & Satellite, Clean Technology, Energy, Retail, Gaming & Lodging, Security Software and Telecom.

About Atmel

Atmel is a worldwide leader in the design and manufacture of capacitive touch solutions, microcontrollers, advanced logic, mixed-signal, nonvolatile memory and radio frequency (RF) components. Leveraging one of the industry's broadest intellectual property (IP) technology portfolios, Atmel is able to provide the electronics industry with complete system solutions focused on consumer, industrial, security, communications, computing and automotive markets.