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AMCC Outperforms Competition with Introduction of Flexible, High-Performance PCI Express® Device

PCI Express Repeater/Re-timing solution targets backplane and PCI Express® cable applications

Sunnyvale, Calif. – March 6, 2006 – Applied Micro Circuits Corp. (AMCC) [NASDAQ:AMCC] today announced the introduction of the industry's first 4-Port PCI Express transparent repeater/re-timer device. The S5543 is capable of providing PCI Express re-timing and signal equalization over PCI Express cables as well as over more than 30" of FR-4. Designed for emerging extended reach PCI Express applications, the high performance features of the S5543 are designed to transparently improve signal quality and maintain and ensure signal integrity between two nodes, providing customers with unprecedented levels of quality and flexibility in a PCI Express based system.

AMCC's high-performance S5543 repeater/re-timer compensates for distortion and losses in FR-4 material and PCI Express cables and boasts a low power dissipation of 150 mW per channel. The S5543 provides customers with a hassle-free PCI Express reach extension and a serial management interface, which supports a wide variety of control options.

"As the extended reach PCI Express market continues to grow, so do our customers' design requirements for flexible, high-performance device capabilities," said Sam Fuller, vice president of marketing at AMCC. "By providing unparalleled equalization and re-timing functionality, the S5543 demonstrates AMCC's commitment to and expertise in developing solutions for the growing PCI Express market."

The S5543 provides a wide range of forwarding capabilities including receiver detect, power down, beacon signal, and electrical idle forwarding. It can also add, delete skip characters for clock skew compensation. Various power down modes, including unused channels, offer customers additional design flexibility. The S5543 features various configurations, including 4 x 1, 2 x 2, 1 x 4, and 1 x 8 applications, this last while operating two S5543 devices in tandem. The device works in spread spectrum clocked environments.

Availability

The S5543 interfaces seamlessly with AMCC's PPC 440SPe, the industry's first PCI Express based Embedded Storage Processor, and is packaged in a 13x13mm² 144-pin PBGA. The S5543 is currently sampling with volume production scheduled to commence in the fourth quarter of 2006.

About AMCC

AMCC is a global leader in network and embedded PowerPC processing, optical transport and storage solutions. Our products enable the development of converged IP-based networks offering high-speed secure data, high-definition video and high-quality voice for carrier, metropolitan, access and enterprise applications. AMCC provides networking equipment vendors with industry-leading network and communications processing, Ethernet, SONET and switch fabric solutions. AMCC is also the leading vendor of high-port count SATA RAID controllers enabling low-cost, high-performance, high-capacity storage. AMCC's corporate headquarters are located in Sunnyvale, California. Sales and engineering offices are located throughout the world. For further information regarding AMCC, please visit our web site at <http://www.amcc.com>.

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as expects, anticipates, plans, believes, estimates, will or words of similar meaning. Such forward-looking statements, including statements relating to the products discussed in this press release, are subject to a number of risks and uncertainties, including the risk that the products may not be successfully or timely developed, completed or manufactured or achieve market acceptance, risks relating to general economic conditions, as well as the risks and uncertainties set forth in the Company's Annual Report on Form 10-K, and in the Company's other SEC filings. As a result of these risks and uncertainties, actual results may differ materially from these forward-looking statements. The forward-looking statements contained in this press release are made as of the date hereof and AMCC does not assume any obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise.

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