Visit AMCC at booth #SL1009 at NXTcomm08 in Las Vegas for live demonstration

AMCC and Menara Networks Collaborate on Simplified OTN Transport for 10G Ethernet

Companies join forces to demonstrate interoperability between Menara Networks' "System-in-a-Module" MSA OTN product and AMCC's OTN mapper and demux devices

LAS VEGAS, Nev. — June 17, 2008 — Applied Micro Circuits Corporation (NASDAQ: AMCC), a global leader in optical transport, embedded Power Architecture® processing, and storage solutions, today announced a collaboration with Menara Networks, an optical Ethernet transport system specialist, to demonstrate OTN connection interoperability allowing next generation OTN-enabled open solutions with unprecedented flexibility.

Menara Networks' Kilimanjaro-100 OTN 300-pin optical module will be demonstrated live seamlessly interoperating with AMCC's Pemaquid OTN Mapper device, June 16-19 in AMCC's booth #SL1009 at NXTcomm08 in the Las Vegas Convention Center.

Menara Networks' Kilimanjaro-100 optical module is the industry's only 100% MSA-compliant full C- and L-band tunable, 300-pin optical transceiver with an integrated OTN framer, enhanced forward error correction and electronic dispersion compensation. Designed for seamless operation within existing 300-pin host platforms, Menara's Kilimanjaro-100 System-in-a-Module is a flexible, multi-rate MSA supporting G.709 framed OTU2 transmission for OC-192, 10GbE LAN/WAN PHY and 10G Fiber Channel host side interfaces. Additionally, Kilimanjaro-100 supports G.Supplement 43 Section 7.3 GFP mapping, providing full rate 10G Ethernet payload transmissions within a standardized G.709 OTU2 10.709Gbps frame. Menara Networks' Kilimanjaro-100 supports an 8.6dB coding gain, strong FEC compatibility with AMCC's EFEC algorithm for high-performance networks, and the G.975 Reed Solomon 255,239 FEC standard for metro and regional network interoperability.

The AMCC Rubicon and Pemaquid family of OTN transport Framer/Mapper devices provide customers with a wide array of application and system integration. The TiPi-Rubicon (S19262) device is a small footprint derivative of the market-proven Rubicon (S19227) 10G OTN device from AMCC. The S19262 provides the same standard FEC coding gain (6.2dB) and industry-leading strong FEC coding gain (8.6dB) through AMCC's proven EFEC code as provided in Rubicon. The TiPi-Rubicon also implements the flexible 10GE mapping modes that make it, the Rubicon, and the Pemaquid the de-facto standards for transporting 10GE though the emerging Metro-Ethernet network. When used in conjunction with AMCC's market leading 10G SMF EDC S3394 Demux device, significant reaches can be achieved in metro and long haul optical networks. The Pemaquid device (S19258) marries the features of the Rubicon and TiPi-Rubicon with AMCC's industry leading PHY technology to bring to

market a compact and targeted 10GE to OTN framer chip with a line-side serial interface designed to interface directly to Metro-Ethernet networks through XFP modules.

“Menara Networks’ MSA System-in-a-Module products offer our customers unprecedented flexibility and functions traditionally found in large transponder system platforms in a drastically reduced footprint and power package while maintaining 100% MSA compatibility,” said Adam Hotchkiss,” VP of Product Line Management at Menara Networks. “Our customers significantly reduce their time-to-market and valuable development resources by leveraging the solution validated by AMCC and Menara Networks for comprehensive and efficient OTN functions and multi-rate features required for 10G Ethernet metro and long-haul transport solution.”

“We’re very excited to demonstrate interoperability between our best-in-class products such as the TiPi-Rubicon OTN Mapper, the Pemaquid OTN Mapper, the S3394 SMF EDC Demux and Menara Networks’ unique products thus paving the way for an open, standards-compliant 10G Ethernet and SONET DWDM transport solution set,” said Neal Neslusan, Director of Marketing for AMCC’s Transport Product Group. “By demonstrating interoperability between Menara’s OTN 300-pin MSA module and AMCC’s Rubicon and Pemaquid family of OTN devices, customers are presented with a diverse level of OTN mapper form factor and implementation development options leading to more modular product interface options and a faster time to market.”

For more information on AMCC transport products:
http://www.amcc.com/products/transport.html

About AMCC
AMCC provides leadership semiconductor solutions to process, transport, and store digital information for the world's wired and wireless networks. As a leading supplier of Power Architecture® based processors and with world-class expertise in SONET and Ethernet protocol processing and PHY technology and storage processors and RAID controllers, our products are the foundation of the IP Communications Revolution. AMCC's 3ware® SAS and SATA RAID controllers deliver cost-effective, high-performance, high-capacity storage for enterprises and consumers worldwide in applications like disk-to-disk backup, near-line storage, network-attached storage (NAS), video, and high-performance computing. For further information regarding AMCC, please visit our website at http://www.amcc.com.

About Menara Networks
Menara Networks develops innovative products and solutions that greatly simplify today's layered optical transport networks. Leveraging the company's proprietary high speed ICs and its extensive expertise in optical networking and system design, Menara products provide optical networks with superior performance and improved service velocity while reducing network elements and overall network cost. Menara's MSA-compliant transceivers with integrated ITU-T G.709 OTN enable OEM customers to seamlessly and rapidly unlock the potential of their platforms by offering unique opportunities for expanded addressable markets and faster revenues. For more information, visit www.menaranet.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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