



## Tisztelt Partnerünk!

Bizonyára hallottak arról a szándékról, hogy a Microchip és az On-Semi megvásárolná az ATMEL-t és egy, a vételi szándékról szóló -kéretlen- levelet küldtek az ATMEL vezetőségének..

Ezek a hírek kisebb pánikot keltettek az ATMEL felhasználók körében, így kötelességemnek érzem írásban is megnyugtanni partnereinket, hogy ez a szándék nem fog megvalósulni.

Az ATMEL főnöke levelet küldött a Microchip és az On-Semi vezetőjének, ahol egyértelműen kijelenti, miszerint nem áll szándékukban eladni a céget, és ezt a kéretlen ajánlkozást elutasítja.

Kérem olvassa el a teljes cikket, amely megtalálható az alábbi linken is:

[http://www.atmel.com/dyn/corporate/view\\_detail.asp?FileName=AtmelBoardofDirectorsResponse\\_10\\_29.html](http://www.atmel.com/dyn/corporate/view_detail.asp?FileName=AtmelBoardofDirectorsResponse_10_29.html)

Kérdése esetén forduljon hozzánk bizalommal!

Továbbra is változatlanul forgalmazzuk az ATMEL összes termékét az AVR8 tól az AVR32-n és az ARM-okon keresztül az RF és RF ID termékekig!

Üdvözlettel:

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Az ATMEL főnök, Steven Laub levele a Microchip és On-Semi vezetőjéhez:

### **Atmel Board of Directors Rejects Unsolicited Proposal from Microchip Technology and ON Semiconductor**

Determines Proposal is Inadequate in Multiple Respects, Including Value, Conditionality and Complexity

Expects Continuing Progress on Transformation Plan to Provide Superior Value to Atmel Stockholders

San Jose, CA, October 29, 2008...[Atmel® Corporation](#) ([Nasdaq: ATML](#)), today announced that, after careful consideration, its Board of Directors has unanimously determined that the October 1, 2008, unsolicited proposal from Microchip Technology Inc. (NASDAQ: MCHP) and ON Semiconductor Corporation (NASDAQ: ONNN) is inadequate in multiple respects,

including value, conditionality and complexity, and is not in the best interests of Atmel's stockholders.

"Atmel's Board has determined that Microchip and ON's highly conditional proposal significantly undervalues Atmel and would deprive Atmel stockholders of the greater value that can be achieved through the continued execution of the Company's transformation plan," said David Sugishita, Chairman of Atmel's Board of Directors.

Steven Laub, Atmel's President and Chief Executive Officer, commented, "Atmel's Board and management are committed to enhancing stockholder value. This commitment has driven the decisive actions we have taken to improve and restructure nearly every aspect of Atmel's operations. These initiatives are well underway and are just beginning to unlock the value inherent in Atmel. Indeed, our outstanding third quarter results announced today demonstrate the clear progress we are making. We will continue to take all appropriate steps, including selling or shutting down those businesses that do not meet our financial or strategic objectives, to ensure that we build on this momentum and realize Atmel's full potential."

Following is the text of the letter that was sent today to Steven Sanghi, Chairman, President and Chief Executive Officer of Microchip Technology, and to Keith Jackson, President and Chief Executive Officer of ON Semiconductor:

- Dear Messrs. Sanghi and Jackson:

We received your unsolicited, non-binding public proposal dated October 1, 2008, to engage in negotiations for a three-way agreement to acquire Atmel for \$5.00 per share in cash, subject to numerous conditions, including the sale of assets, due diligence and financing. After a comprehensive review, and with advice from our outside financial and legal advisors, Atmel's Board of Directors has concluded that your proposal is inadequate in multiple respects – it significantly undervalues Atmel, is unacceptably conditional and subject to significant execution risk.

While we appreciate your recognition of Atmel's superior product and technology portfolio, we believe your proposal is opportunistic and not consistent with the Atmel Board of Directors' objective of maximizing stockholder value. Accordingly, the Board has unanimously rejected your proposal as not in the best interest of Atmel's stockholders.

We believe it is important to set the record straight with respect to our discussions with you prior to October 1, 2008. Despite your claims, Microchip never made a proposal to Atmel prior to its October 1 unsolicited proposal. You also falsely stated during your joint investor call that we told you that "the Board of Atmel did not want to do this deal under any circumstances, under any terms, at this time." What we both know really occurred is that Microchip sought confidential and sensitive due diligence information for a possible multi-party transaction without specifying a price or any other terms. Your publicly announced October 1 proposal was the first time Microchip disclosed to us a proposed price, structure, ON Semiconductor's involvement, and the many significant associated conditions, including the financing required by ON. Atmel's Board takes its fiduciary duties seriously. Given the risks, uncertainties and competitive issues of your approach, we believe the interests of Atmel's stockholders, employees and customers will be better served by continuing to pursue our

transformation plan that we expect will generate substantially greater stockholder value.

Atmel's Board has carefully considered your proposal and has determined that it is inadequate in multiple respects. In arriving at this conclusion, the Board considered that:

**Atmel is currently implementing an aggressive transformation plan, improving both Atmel's cost structure and product focus. Contrary to your assertions, we are achieving significant success in this regard.**

- Non-core manufacturing facilities have been shut down and sold, reducing Atmel's fabs from five to two by the end of 2008. We have divested or shut down 14 non-core product lines, while consolidating or streamlining others. We have also implemented an 18% reduction in the Company's workforce and expect to realize more than \$125 million of cost savings in 2008, well in excess of our target of \$80 million to \$95 million.
- As a result of these and other actions still underway, Atmel is achieving stronger financial performance as evidenced by the 400 basis point improvement in gross margins over the last two quarters alone.
- In addition, our microcontroller business is achieving substantial revenue growth, market share gains and margin expansion. Indeed, our microcontroller growth rate of 21% for the September quarter year-over-year substantially exceeded that of Microchip's at 5.5%.
- We expect that the combination of normalizing currency trends and the continued benefits from our ongoing restructuring will result in further improvement in our operating and financial performance.

**Your unsolicited proposal is highly opportunistic and delivers neither fair nor full value to Atmel's stockholders. Given our progress and the actions Atmel's Board and management are continuing to take, we are confident that Atmel stockholders will realize greater value through the continued execution of the Company's strategic plan.**

- Microchip and ON's proposal is clearly an opportunistic attempt to acquire our leading technology and product portfolio at a time of value compression in the equity markets and just as our progress is becoming more visible in the Company's financial results.
- Simple calculations show that your proposal significantly undervalues the Company. Based on the value that ON has ascribed to Atmel's RF/Auto and non-volatile memory business units, Microchip would be acquiring Atmel's microcontroller business at a substantial discount to its true value, despite accelerating revenue growth, market share gains and margin expansion. As stated in your joint investor call "Atmel has strong momentum in proprietary AVR architecture."
- In your joint investor presentation, you identified "Significant opportunities to drive operational synergies across COGS, SG&A and R&D." However, the proposal fails to provide any value to Atmel stockholders for the substantial synergies that you anticipate achieving.

**Microchip and ON's complex proposal is highly conditional and subject to significant execution risk. Among other things, the proposed transaction depends on Microchip and ON's ability to agree to terms and close a significant, separate purchase and sale transaction.**

- The proposal requires Microchip and ON to reach a definitive agreement on price, as well as a complex separation of Atmel's businesses, which today share a number of significant functions. There is no assurance that such an agreement can be reached.
- The proposal requires Microchip and ON to each receive necessary regulatory clearance for their acquisitions of competing businesses, obtain necessary financing, and meet all other closing conditions before any transaction with Atmel can close. There is no assurance such financing will be received, or that any other conditions of the complex three-way transactions will be met, and if they are, no certainty as to how long they will take.
- The proposal is subject to due diligence by Microchip and ON, and would require Atmel to provide major competitors with access to Atmel's sensitive, confidential information with no assurance that a transaction will be entered into on acceptable terms. Microchip and ON's inadequate and highly conditional proposal provides no basis to grant such access.

**The proposal requires ON to obtain hundreds of millions of dollars of new financing at a time when the credit markets are essentially closed.**

- You claimed in your letter and joint investor call that ON would finance part of its purchase of Atmel's non-volatile memory and RF and Automotive businesses through "borrowing of approximately \$260 million under ON Semiconductor's existing credit facility." Our review indicates that ON has no such commitment under its existing credit facility to provide additional financing. ON's existing facility merely allows ON to seek to raise a new and separate \$260 million facility. ON has acknowledged that it will need financing even beyond that, which may require refinancing the existing credit facility. This lack of any financing commitment, together with your misstatements regarding the same, are of particular concern given the current uncertain economic and credit environment.

In closing, we believe your stated confidence in your proposal is very much misplaced. We share your excitement about Atmel's leading product and technology portfolio and our talented employee base. Based on these strengths, the solid plan we have in place and the actions we are continuing to take to fully unlock the value of the Company, we believe your opportunistic proposal significantly undervalues Atmel and would deprive Atmel stockholders of the greater value that can be achieved through the continued execution of the Company's transformation plan.

Sincerely,

/s/ Steven Laub

Steven Laub  
President and Chief Executive Officer

Morgan Stanley and Credit Suisse are serving as financial advisors, and Wachtell, Lipton Rosen & Katz is serving as legal counsel to Atmel.

#### About Atmel

Atmel is a worldwide leader in the design and manufacture of 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.

#### Safe Harbor for Forward-Looking Statements

Information in this release regarding Atmel's forecasts, outlook, expectations and beliefs are forward-looking statements that involve risks and uncertainties. These statements include statements about new product introductions, markets for our products and market share gains, restructuring initiatives, manufacturing optimization, cost savings, strategies and future operating and financial performance. All forward-looking statements included in this release are based upon information available to Atmel as of the date of this release, which may change, and we assume no obligation to update any such forward-looking statements. These statements are not guarantees of future performance and actual results could differ materially from our current expectations. Factors that could cause or contribute to such differences include general economic conditions, the impact of competitive products and pricing, timely design acceptance by our customers, timely introduction of new products and technologies, ability to ramp new products into volume production, industry wide shifts in supply and demand for semiconductor products, industry and/or Company overcapacity, effective and cost efficient utilization of manufacturing capacity, financial stability in foreign markets and the impact of foreign exchange rates, the inability to realize the anticipated benefits of our recent strategic transactions, restructuring plans and other initiatives in a timely manner or at all, unanticipated costs and expenses or the inability to identify expenses which can be eliminated, the market price of our common stock, unfavorable results of legal proceedings, impact of Microchip's and ON Semiconductor's unsolicited acquisition proposal, and the Company's response thereto, and other risks detailed from time to time in Atmel's SEC reports and filings, including our Form 10-K for the year ended December 31, 2007, filed on February 29, 2008, and our subsequent Form 10-Q reports.