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Silicon Laboratories Expands AeroFONE(TM) Single-Chip Phone Family for Ultra Low Cost Handset Market; Fully Integrated Single-Chip Phone Offers Highest Performing, Lowest Cost Solution for GSM ULCH Market

AUSTIN, Texas, Jun 26, 2006 (BUSINESS WIRE) -- Silicon Laboratories Inc. (Nasdaq:SLAB) today announced the Si4901 AeroFONE™ single-chip phone, the industry's most integrated, highest performing single-chip phone for the GSM ultra low cost handset (ULCH) market. The Si4901 expands the company's family of single-chip phones to address demand for low cost, highly integrated GSM handsets in emerging economies. The Si4901 single-chip phone, with industry leading RF performance, requires only 51 components for the complete modem electronic bill of materials (eBOM) for a mobile phone, seventy-five percent fewer than current low cost handsets.

The Si4901 is the second product in Silicon Laboratories' AeroFONE single-chip phone family, delivering the highest level of integration in a voice-only, dual-band platform. Silicon Laboratories' AeroFONE single-chip phones are the first and only solutions to fully integrate the power management unit (PMU), battery interface and charging circuitry, digital baseband, analog baseband and RF transceiver into a single monolithic CMOS IC.

The Si4901 is uniquely optimized for emerging markets where handset affordability drives subscriber growth, minimal handset features are required, performance is important, and quality and handset yield are critical. The Si4901 provides significantly lower total system cost through superior integration allowing for a 65 percent reduction in printed circuit board (PCB) area, as well as a 50 percent decrease in costs associated with manufacturing.

By simplifying PCB routing due to unparalleled integration including the PMU, the Si4901 is currently the only ULCH solution that enables the use of a 4-layer PCB for a complete handset design resulting in savings of as much as $1.00 over 6-layer designs. The combination of the AeroFONE software solution and 2 Mb of integrated SRAM eliminates the need for an expensive external SRAM. In addition, the Si4901 device takes full advantage of Silicon Laboratories' patented digitally-controlled crystal oscillator (DCXO) technology to replace expensive external voltage-controlled temperature compensated crystal oscillator (VC-TCXO) modules with only a low-cost crystal resonator. A complete Si4901 AeroFONE-based design enables developers to build and manufacture handsets with a phone BOM under $16.

"We developed the Si4901 for ULCH from a system perspective with a focus on reducing costs through innovative design, integration and maximizing system efficiency without sacrificing performance," said Dan Rabinovitsj, vice president of Silicon Laboratories. "The Si4901 sets a new standard in RF performance for the ULCH market where performance and cost are key drivers. Customers can now quickly design reliable, truly low cost handsets."

The Si4901 offers a flexible, scalable and easy-to-use development platform and is adaptable to multiple software protocol stacks, operating systems and applications frameworks. This unique approach lowers software-switching costs by enabling handset developers to either reuse existing software infrastructure or select one of the multiple protocol stacks and application software frameworks validated by Silicon Laboratories and its partners.

Pricing and Availability

The Si4901 is available in a standard 10 x 10 mm, Pb-free, RoHS-compliant plastic ball grid array (PBGA) package. Pricing is dependent on volume. The Si4901 is sampling now, with mass production scheduled for Q4 2006. An evaluation platform is available for $5000. For more information, please visit www.silabs.com/aerofone.

Silicon Laboratories Inc.

Silicon Laboratories Inc. is a leading designer of high-performance, analog-intensive mixed-signal integrated circuits (ICs) for a broad range of applications. Silicon Laboratories' diverse portfolio of highly integrated, patented solutions is developed by a world-class engineering team with decades of cumulative expertise in cutting-edge mixed-signal design. The company has design, engineering, marketing, sales and applications offices throughout North America, Europe and Asia. For more information about Silicon Laboratories please visit www.silabs.com.

Cautionary Language

This press release may contain forward-looking statements based on Silicon Laboratories' current expectations. These

forward-looking statements involve risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. For a discussion of factors that could impact Silicon Laboratories' financial results and cause actual results to differ materially from those in the forward-looking statements, please refer to Silicon Laboratories' filings with the SEC. Silicon Laboratories disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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