



**AMCC STORAGE DECLARED UNIT MARKET SHARE LEADER FOR SATA
HARDWARE RAID CONTROLLERS IN THE DISTRIBUTION CHANNEL BY TOP
ANALYST FIRM**

AMCC Extends Overall Leadership, Grew Market Share for Value-end Controllers

SUNNYVALE, Calif., September 24, 2007 – Applied Micro Circuits Corporation (AMCC) [NASDAQ-: AMCC] announced today that leading analyst firm, Gartner Inc., named AMCC's 3ware® Storage Business Unit the channel unit market share leader in SATA hardware RAID controllers for the second consecutive year in 2006.

Gartner Dataquest's study, "Market Share: Host Bus RAID Controllers, Worldwide, 2006" by Roger Cox was published on August 24 and reports that since 2004, 3ware has grown its host bus SATA RAID controller unit market share almost twofold. In 2006, 3ware outpaced its nearest competitor by over 45,000 units in the distribution sales channel.¹

"We reinforce our steadfast commitment to the channel everyday by proactively addressing its needs," said Scott Cleland, Director of Marketing, AMCC Storage. "3ware SATA controllers are the number one choice in the channel for customers looking for performance, fault tolerance, data protection and value. AMCC is single-minded in our mission to provide RAID expertise and revolutionary 3ware RAID storage products through the channel to an ever growing customer base."

About 3ware RAID Controllers

Award-winning 3ware RAID controllers deliver full-featured true hardware RAID to servers, workstations and storage systems. 3ware controllers are available in 2, 4, 8, 12, 16, and 24-port configurations in PCI™, PCI-X® and PCI Express® versions. Advanced RAID features like RAID 6, powerful performance architecture, and SATA II and soon-to-be-released SAS connectivity make 3ware controllers ideal for vertical applications that require the highest levels of sustained read and write performance. 3ware controller kits which include cables are available through AMCC's worldwide network of distributors, integrators and VARs.

About AMCC

AMCC blends system hardware and software expertise to provide the essential building blocks for the processing, moving and storing of data worldwide. The #1 high-port count Serial ATA RAID controller line, AMCC's 3ware family of SATA RAID storage solutions deliver cost-effective, high-performance, high-capacity storage for enterprises and consumers worldwide in applications such as disk-to-disk backup, near-line storage, network-attached storage (NAS), video, and high-performance computing. The company headquartered in Sunnyvale, California with offices throughout the world. For more information, visit www.3ware.com or www.amcc.com.

¹ Cox, Roger, "Market Share: Host Bus RAID Controllers, Worldwide, 2006", *Gartner Dataquest* (2007), Table I.

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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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