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AMCC FORGES PARTNERSHIP WITH D&H DISTRIBUTING TO MEET GROWING DEMAND FOR SATA- BASED, HIGH-PERFORMANCE RAID SYSTEMS

Latest Alliance Complements AMCC's Storage Leadership and Enhanced RAID Technology for VARs and System Integrators

Sunnyvale, Calif., January 30, 2006 – Applied Micro Circuits Corporation (AMCC) (NASDAQ: AMCC) today announced a distribution partnership with D&H Distributing, the national computer products and consumer electronics distributor based in Harrisburg, Pa. D&H will now carry AMCC's full line of award- winning storage products, including the flagship 3ware® 9550SX Series Serial ATA (SATA) II RAID controllers and the 9000 Series SATA RAID controllers. D&H complements AMCC's existing team of distributors, which includes Bell Microproducts (NASDAQ: BELM) and Synnex (NYSE: SNX).

AMCC's 3ware series of RAID controllers enable enterprise- class SATA RAID storage solutions for mid- level and high- end computing applications, offering performance, scalability, and reliability. The complete line of RAID controllers is available worldwide in 16- , 12- , 8- , 4- , and 2- port configurations, making it the most comprehensive family of controllers in the market.

Michael Joyce, senior director of storage marketing at AMCC, says the partnership will create important new opportunities. "D&H understands the growth opportunity that SATA provides," he said. "Their unique, customer relationship- driven business model complements our range of SATA solutions, and their extensive customer base of specialized, high value- add integrators opens new doors for us."

“The storage business opportunity for resellers and system integrators is considerable, and AMCC offers high performance, scalable storage solutions that provide a high level of data integrity,” said Michael Schwab, vice president of purchasing at D&H. “SATA provides a strong market growth opportunity, and we are excited to offer our customers the high-value storage products and services they need to sharpen their competitive edge and expand their reach in this important market. AMCC’s complete family of SATA RAID products is a compelling choice, and we are pleased with their selection and support.”

The 3ware family is based on StorSwitch™, AMCC’s seventh generation non-blocking switched fabric storage architecture, and comprises the highest performing, most feature-rich hardware RAID controllers developed by the company to date. The recently introduced 3ware 9550SX is 200 percent faster than the company’s previous generation 9500S, delivering RAID 5 writes at over 380MB/sec and RAID 5 reads at more than 800MB/sec, and supports the Serial ATA 2.5 specification and a PCI-X host interface.

“We have been privileged to partner individually with both D&H and AMCC over the past several years,” says Robert Danese, executive director of NASBA, the Association of Channel Resellers. “AMCC’s high-performance, scalable SATA RAID solutions are a good match for D&H resellers. As they join forces, our members will see increased opportunities to integrate AMCC solutions.”

Product Availability and Support

AMCC’s line of 3ware RAID controllers is available worldwide to VARs, OEMs and system builders. The controllers ship with a 3-year warranty and are compatible with Microsoft® Windows® 2003/XP/2000, Red Hat® Linux, SuSE® Linux, and FreeBSD operating systems.

For additional information, please visit www.3ware.com.

About D&H Distributing

D&H is one of America's oldest & largest wholesale products distributors with an impressive

85-year history. D&H distributed the first color television, the first home computer, even the very first gaming system. No one has more distribution and electronics experience than D&H. Due to our multi-divisional capability, we can put our resellers in touch with more product categories than any other distributor. In the very near future, the idea of separate Home Computer, Consumer Electronics, and Video Game retailers may become obsolete. As these once-separate technologies converge, consumers are looking for a one-stop resource for products and expertise. And that makes D&H the reseller’s distributor of choice. No other distributor can offer products and solutions from each one of these converging technologies – and the expertise to show you how it can all work together seamlessly. Additional information about D&H and their full-line of storage solutions can be obtained at www.dandh.com.

About NASBA

NASBA, the Association of Channel Resellers, is a professional trade organization with over 14,000 member companies. Our members service the white box, integrator and solution provider segments of the high- tech industry throughout North America. NASBA provides enhanced access to our community, industry, our partners and strategic alliances. Members experience enhanced profitability and growth through exclusive programs, services and cost saving opportunities. For more information about NASBA, please visit www.nasba.com.

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>.

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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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