



**AMCC STORAGE EXPANDS NORTH AMERICAN PRESENCE,
FURTHERS DISTRIBUTOR PARTNERSHIP WITH SYNnex CANADA LIMITED**

SYNNEX Canada Alliance Complements AMCC's SATA RAID Storage Leadership

Whistler, BC and Sunnyvale, Calif., October 17, 2006– Today at the Solution Provider XChange West Conference, Applied Micro Circuits Corporation (AMCC) (NASDAQ: AMCC) announced it has expanded its presence in Canada by extending its existing U.S. distribution relationship with SYNnex Corporation to now include SYNnex Canada Limited.

“Resellers throughout Canada are seeing a robust market for fixed-content and nearline storage solutions for vertical markets,” said Mark Hardy, senior director of product management at SYNnex Canada Limited. “SATA RAID solutions provide an attractive business opportunity for resellers, and we are excited to offer our customers the high-value storage solutions they need to expand their reach in the marketplace. As a premier line of high-capacity SATA RAID controllers, the 3ware product portfolio delivers a wide range of high-performance RAID storage options to fit the needs of our customers.”

AMCC's 3ware series of RAID controllers provides superior reliability, scalability and performance that enable enterprise-class SATA RAID storage solutions for mid-level and high-end computing applications. The 3ware product line features a complete family of 16-, 12-, 8-, 4- and 2-port RAID configurations.

We are very pleased to add SYNnex Canada to our distributor base,” said Vince Alvarado, director of North American and Asia Pacific sales at AMCC Storage. “SYNNEX Canada offers significant value to our channel strategy,” he said. “SYNNEX Canada understands the growth opportunity that SATA RAID provides and its customer-driven business model and strong relationship with key resellers complements our range of SATA solutions, enabling us to leverage our storage channel leadership and enhanced RAID technology.”

The 3ware product line of 3Gb/s SATA II host RAID controllers delivers unparalleled performance, thanks to its StorSwitch™ non-blocking switch fabric architecture. The recently introduced 3ware Sidecar is an external RAID solution targeted toward the Mac market. AMCC is also announcing this week a line of high performance RAID 6 controllers.

About CMP's XChange Conference

CMP Media's XChange Conference Group is the global leader in face-to-face channel events. XChange Conferences bring together new markets, customers and revenue opportunities for solution providers and technology vendors. XChange Conferences offer the best recruiting, training, education and networking opportunities in three & four day events filled with keynotes, lectures, debates and discussions revolving around critical channel issues and trends. XChange Conference information can be found online at <http://www.cmpxchange.com>

About SYNnex Canada Limited

SYNNEX Canada Limited, a subsidiary of SYNnex Corporation (NYSE: SNX), is a leading distributor of technology products to resellers and system builders across Canada. Committed to driving growth and profitability for its resellers and vendor partners, SYNnex Canada offers great product selection at competitive prices and supports customers with dedicated sales resources, unique financial services, expert technical support, progressive e-business tools and fast and accurate delivery with warehouses in key cities. For more information, visit www.SYNNEX.ca.

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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Media Contact:

Julie Parayno/Kathryn Reid

Dovetail Public Relations

+1-408-395-3600

julie@dovetailpr.com / kathryn@dovetailpr.com

Company Contact:

Thomas Bayens

Applied Micro Circuits Corporation

+1-408- 542- 8698

tbayens@amcc.com

Investor Contact:

Scott Dawson

Applied Micro Circuits Corporation

+1-858-535-4217

sdawson@amcc.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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