

# *Press Information*

FOR IMMEDIATE RELEASE

NASDAQ: MXIM

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## **MAXIM INTEGRATED PRODUCTS ANNOUNCES ACQUISITION OF DIGITAL VIDEO LEADER MOBILYGEN**

SUNNYVALE, CA– October 14, 2008–Maxim Integrated Products, Inc. (NASDAQ:MXIM) ("Maxim" or the "Company") today announced that it has entered into a definitive agreement to purchase Mobilygen, a privately held, fabless semiconductor company with leading technology in H.264 video compression. Completion of the transaction is subject to customary closing conditions. The transaction is expected to close in the fourth calendar quarter of 2008. Maxim's acquisition of Mobilygen brings leading H.264 video compression technology positioning Maxim to become a key supplier to the \$2B video security semiconductor market.

MultiMedia Intelligence, a leading authority in the market for video surveillance semiconductors, recently reported the market for silicon content in security equipment will surpass \$2 billion by 2012. The increase in the market is attributed to top-line unit growth in surveillance equipment and a gradual shift from analog systems to mixed signal and networked solutions.

Maxim expects the served available market for H.264 compression in IP cameras and DVRs (Digital Video Recorders) to be in excess of \$200 million in the Company's 2012 fiscal year.

The security industry has adopted H.264 as the next-generation video compression standard for streaming, recording, and archived file storage. Mobilygen, with approximately 50 highly trained engineers and technical experts, is a pioneer in the design of market leading

H.264 compression SOCs (Systems On-a-Chip) for the security market and is a recognized leader in resultant video quality, power consumption, and cost-per-channel.

Vijay Ullal, Maxim Group President commented: “Video security is an important growth market for Maxim. The overwhelming majority of security cameras installed today are analog, whereas recording, storage, analytics, and IP streaming are digital. Video compression is therefore a strategic technology for Maxim in the analog-to-digital video signal path.”

Maxim Multimedia Business Unit Vice President, Ron Clark added: “Mobilygen’s video codec technology offers customers a 2x cost advantage and up to 10x lower power consumption versus a typical DSP solution. Their patented architecture renders superior video quality at the lowest possible bit-rates for maximum record capacity and improved network bandwidth efficiency.”

Maxim expects Mobilygen to become accretive to its earnings in fiscal year 2010 as a result of Maxim’s economies of scale, and new demand created through synergies with Maxim’s broad portfolio of complimentary video, audio, power management, wireless, and interface products.

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This release contains forward-looking statements concerning Maxim's acquisition of Mobilygen. These forward-looking statements are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, the served available market for these products being in excess of \$200 million in fiscal year 2012, Maxim’s expectation that Mobilygen will be accretive to its earnings in fiscal year 2010 as a result of Maxim’s economies of scale, and new demand created through synergies with Maxim’s broad portfolio of complimentary video, audio, power management, wireless, and interface products, Maxim’s expectation that the transaction will close in the fourth calendar quarter of 2008 as well as Maxim’s belief that the acquisition positions Maxim to become a leading supplier to the \$2B video security semiconductor market. These statements are based on current expectations and are subject to certain risks, uncertainties

and assumptions, many of which are outside the control of Maxim. These risks and uncertainties include, but are not limited to: changes in semiconductor market conditions and demand for security semiconductor products; technological and product development risks; the future performance of Mobilygen as part of Maxim; the timing and success of Maxim's integration of Mobilygen with Maxim's existing businesses, including the successful transition of personnel, product development, manufacturing and information systems; the ability to realize anticipated synergies of the video product portfolio, the ability to realize the anticipated benefits of intellectual property rights being acquired by Maxim; competition in the markets in which the Multimedia Business Unit is a part of; and general economic and business conditions.

For a detailed discussion of factors affecting Maxim's business generally and other factors that may influence future results, please see Maxim's filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal years ended June 24, 2006, June 30, 2007 and June 28, 2008, as well as similar disclosures in subsequent SEC filings. Maxim does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **About Maxim**

Maxim Integrated Products is a publicly traded company that designs, manufactures, and sold over \$2 billion of high-performance semiconductor products in its fiscal year 2008. Maxim was founded over 25 years ago with the mission to deliver innovative analog and mixed-signal engineering solutions that add value to its customers' products. To date, Maxim has developed over 5,800 products in 28 product categories serving the Industrial, Communications, Consumer, and Computing markets. For more information, go to [www.maxim-ic.com](http://www.maxim-ic.com).

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