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RFMD Announces Expansion to Accommodate Rising Demand for Compound Semiconductors

Manufacturing Capacity Expansion to Support Growth Expectations in RFMD's Cellular and Multi-Market Product Groups

GREENSBORO, N.C.--(BUSINESS WIRE)--Sept. 28, 2007--RF Micro Devices, (NASDAQ: RFMD), a global leader in the design and manufacture of high-performance radio systems and solutions for applications that drive mobile communications, today announced plans to expand its compound semiconductor manufacturing capacity to support growth expectations in the Company's Cellular and Multi-Market product groups.

RFMD® anticipates increased demand for its industry-leading compound semiconductor process technologies as a result of favorable market trends in the Company's primary markets. In the cellular handset market, the increasing adoption of highly integrated, multi-chip transmit modules and the migration to 3G multimode devices are expected to drive increased demand for RFMD's GaAs pHEMT and RFMD's GaAs HBT (both AlGaAs HBT and InGaP HBT). These favorable market trends require greater quantities of compound semiconductor content and are expected to underpin a five-year compound annual growth rate of greater than 20% from 2007-2012 in the market for cellular front ends. RFMD was recently recognized as the leading manufacturer of cellular front ends.

Additionally, in markets served by RFMD's Multi-Market products group, it is anticipated the migration to 802.11n (GaAs HBT and GaAs pHEMT) and the increasing adoption of WiMAX (GaAs HBT and GaN) will be among the primary drivers of increased compound semiconductor content and accelerated market growth. RFMD's GaN process technology is quickly being recognized as a superior process technology for applications that require high power, linearity and bandwidth, as compared to existing technologies, such as silicon LDMOS. RFMD is the world's largest manufacturer of GaAs HBT and GaAs pHEMT, and the Company is quickly ramping commercial production of its GaN process technology.

Asif Anwar, Director of Strategy Analytics GaAs and Compound Semiconductor Technologies (GaAs) service, said, "RFMD has consistently been the world's largest supplier of GaAs devices for several years as a result of its leadership in the cellular handset PA space. The Company continues to move in line with the requirements of the cellular handset market, and this will continue to drive the volume at RFMD. RFMD has also developed a coherent multiple market strategy to target higher value segments with the rollout of its GaN and GaAs pHEMT technologies as well as the expansion of its IP and product portfolios through the proposed Sirenza acquisition. This dual 'high volume-high value' strategy will help the Company remain at the forefront of the compound semiconductor industry."

Bob Bruggeworth, president and CEO of RFMD, said, "The markets served by RFMD are growing, and RFMD is growing its compound semiconductor content within these markets. The addition of our third fab will enable us to capture a greater percentage of this growth while also reducing manufacturing costs and driving continued improvement in operating profitability. Once complete, our third fab, in conjunction with our second fab, will focus on high volume cellular and WLAN front end products that utilize GaAs HBT and GaAs pHEMT. The new fab will also provide capacity for the production of wafer-level packaged SAW filters and the development of new, next-generation process technologies that provide highly integrated front end functionality. Our first fab will focus on high value multi-market products that utilize specialty GaN, GaAs pHEMT and GaAs HBT technologies."

RFMD is currently increasing its manufacturing levels of both GaAs HBT and GaAs pHEMT in order to satisfy immediate forecasted demand.

About RFMD: RF Micro Devices, Inc. (NASDAQ: RFMD) is a global leader in the design and manufacture of high-performance radio systems and solutions for applications that drive mobile communications. RFMD's power amplifiers, transmit modules, cellular transceivers and system-on-chip (SoC) solutions enable worldwide mobility, provide enhanced connectivity and support advanced functionality in current- and next-generation mobile handsets, cellular base stations, wireless local area networks (WLANs) and global positioning systems (GPS). Recognized for its diverse portfolio of state-of-the-art semiconductor technologies and vast RF systems expertise, RFMD is a preferred supplier enabling the world's leading mobile device manufacturers to deliver advanced wireless capabilities that satisfy current and future market demands.

Headquartered in Greensboro, N.C., RFMD is an ISO 9001- and ISO 14001-certified manufacturer with worldwide engineering, design, sales and service facilities. RFMD is traded on the NASDAQ Global Select Market under the symbol RFMD. For more information, please visit RFMD's web site at www.rfmd.com.

This press release includes "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about our plans, objectives, representations and contentions and are not historical facts and typically are identified by use of terms such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," "continue" and similar words, although some forward-looking statements are expressed differently. You should be aware that the forward-looking statements included herein represent management's current judgment and expectations, but our actual results, events and performance could differ materially from those expressed or implied by forward-looking statements. We do not intend to update any of these forward-looking statements or publicly announce the results of any revisions to these forward-looking statements, other than as is required under the federal securities laws. RF Micro Devices' business is subject to numerous risks and uncertainties, including variability in quarterly operating results, the rate of growth and development of wireless markets, risks associated with the operation of our wafer fabrication facilities, molecular beam epitaxy facility, assembly facility and test and tape and reel facilities, our ability to attract and retain skilled personnel and develop leaders, variability in production yields, our ability to reduce costs and improve gross margins by implementing innovative technologies, our ability to bring new products to market, our ability to adjust production capacity in a timely fashion in response to changes in demand for our products, dependence on a limited number of customers, and dependence on third parties. These and other risks and uncertainties, which are described in more detail in RF Micro Devices' most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, could cause actual results and developments to be materially different from those expressed or implied by any of these forward-looking statements.

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