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RFMD(R) Announces Wafer Fab Expansion

40% Expansion in Capacity Expected to Drive Revenue Growth and Margin Expansion

GREENSBORO, N.C.--(BUSINESS WIRE)--March 30, 2006--RFMD® (Nasdaq: RFMD - News), a leading provider of proprietary radio frequency integrated circuits (RFICs) for wireless communications applications, today announced an \$80 million wafer fabrication facility (fab) expansion. The planned expansion, located on the Company's Greensboro campus, is expected to increase RFMD's wafer manufacturing capacity by approximately 40% from current levels - enabling continued robust growth in wireless markets utilizing RFMD's market leading GaAs HBT and GaAs pHEMT process technologies. The expansion is also expected to reduce RFMD's cost per wafer and provide available capacity to increase internal production of GaAs pHEMT - a critical enabling technology in the Company's market-leading transmit modules.

The growing demand for RFMD's GaAs technology is being fueled by multiple factors, including market share gains and robust demand for mobile devices. According to industry forecasts, greater than 900 million cellular handsets will ship in 2006, driven by emerging markets and new feature-rich devices. Within these handsets, a growing number will feature RFMD's power amplifier (PA) modules and RFMD's transmit modules, which integrate GaAs pHEMT transmit switch technology with the Company's market leading GaAs HBT power amplifier technology. In addition, 3G (or multi-mode) handsets contain multiple transmit chains and require multiple PAs. Industry analysts currently forecast sales of 3G handsets will double in both 2006 and 2007 to approximately 200 million units. Finally, in the growing market for WLAN in handsets, RFMD is experiencing increased demand for its WLAN front-end modules (FEMs), which feature both GaAs HBT and GaAs pHEMT technologies.

Bob Bruggeworth, president and CEO of RFMD, said, "RFMD is making this strategic investment to capitalize on the rapid increase in worldwide demand for GaAs technology. We are the leader in cellular transmit modules, driven by shipments to our two largest customers, and we expect our leadership to grow this year as we add customers for these products. Of note, our projected growth in transmit modules is partially attributable to growing demand for RFMD's POLARIS™ 2 TOTAL RADIO™ Module Solution for both GPRS and EDGE handsets.

"We are also the leader in WCDMA power amplifiers (PAs), and we expect WCDMA to be the world's fastest growing air interface standard. WCDMA handsets have multiple PAs, which also contributes to the increasing worldwide demand for GaAs. Finally, shipments of our WLAN power amplifiers and front-end modules have continued to grow, and we expect 802.11n - which uses multiple input multiple output (MIMO) technology - to be a major driver of GaAs demand as it is established as a standard and proliferates in notebooks and handsets."

RFMD's components and system solutions are featured in many of the most popular devices made by the world's leading wireless manufacturers. These customers are increasingly presenting new, incremental opportunities to RFMD. The Company expects its ability to capture these incremental opportunities - and increase its semiconductor content in mobile devices - is strengthened considerably by this expansion and the commitment it demonstrates to its customers.

This is the fifth capacity expansion RFMD has announced in its 15-year history. RFMD views its continued investment in manufacturing capacity as key to its revenue and earnings growth. The Company's quarterly revenue was \$150.4 million in the March 2005 quarter when the previous fab expansion was completed, and increased to \$208.0 million in the December 2005 quarter, less than one year later.

RFMD has begun expanding its wafer fabrication equipment base in existing clean room facilities, and volume production is anticipated in late 2006. The Company was the recipient of a Job Development Incentive Grant (JDIG) from the State of North Carolina that provides up to \$4.9 million in tax credits to assist the Company with the expansion. RFMD also received a collective pledge of nearly \$1.5 million from the city of Greensboro and Guilford county governments. RFMD expects to add 300 new highly-skilled positions at the expanded facility.

About RFMD

RFMD, an ISO 9001- and ISO 14001-certified manufacturer, designs, develops, manufactures and markets proprietary radio frequency integrated circuits (RFICs) for wireless communications products and applications. The Company is a leading supplier of power amplifiers, one of the most critical radio frequency (RF) components in cellular phones. The Company is also the leading manufacturer of GaAs HBT, which offers distinct advantages over other technologies for the manufacture of current- and next-generation power amplifiers. The Company's products are included primarily in cellular phones, base

stations, wireless local area networks (WLANs), cable television modems and global positioning systems (GPS). The Company derives revenue from the sale of standard and custom-designed products. The Company offers a broad array of products including amplifiers, mixers, modulators/demodulators and single-chip transmitters, Bluetooth® products and receivers and transceivers that represent a substantial majority of the RFICs required in wireless subscriber equipment. The Company's goal is to be the premier supplier of low-cost, high-performance integrated circuits and solutions for applications that enable wireless connectivity. RFMD is traded on the Nasdaq National Market under the symbol RFMD. For more information about RFMD, please visit 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, our assembly facility and our test, 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, dependence on consignment sales through customer inventory hubs, 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, dependence on third parties and the variability of future stock-based compensation charges or credits during the remainder of fiscal 2006 as a result of our stock option exchange program as well as the adoption of SFAS 123® in fiscal 2007. 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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