



March 29, 2005

RF Micro Devices Announces Accelerated Vesting Of Certain 'Out-Of-The-Money' Stock Options

GREENSBORO, N.C., March 29 /PRNewswire-FirstCall/ -- RF Micro Devices[®], Inc. (Nasdaq: RFMD), a leading provider of proprietary radio frequency integrated circuits (RFICs) for wireless communications applications, today announced that on March 24, 2005 at its regular meeting, the Board of Directors, upon recommendation of the Board's Compensation Committee, approved the accelerated vesting of certain unvested and "out-of-the-money" stock options held by current employees, executive officers and non-employee directors with exercise prices greater than \$5.31 per share, which was the closing sales price of RFMD's common stock on the Nasdaq National Market on March 24, 2005. As a result of this vesting acceleration, which became effective on March 24, 2005, options to purchase approximately 10.2 million shares of RFMD common stock that would otherwise have vested at various times within the next four years became fully vested.

The decision to accelerate these unvested options, which the Company believes to be in the best interest of the Company and its shareholders, was made primarily to reduce compensation expense that might be recorded in future periods following the Company's adoption on July 1, 2005 of SFAS 123[®]. The Company believes that accelerating the vesting of stock options with exercise prices in excess of the closing sales price on March 24, 2005 will reduce the Company's aggregate compensation expense in future periods by a total of approximately \$16.7 million.

RF Micro Devices, Inc., an ISO 9001- and ISO 14001-certified manufacturer, designs, develops, manufactures and markets proprietary RFICs primarily for wireless communications products and applications such as cellular and PCS phones, base stations, WLANs and cable television modems. The Company offers a broad array of products - including amplifiers, mixers, modulators/demodulators, and single-chip receivers, transmitters and transceivers - representing 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. RF Micro Devices, Inc., is traded on the Nasdaq National Market under the symbol RFMD.

This press release contains forward-looking statements that relate to RF Micro Devices' plans, objectives, estimates and goals. Words such as "expects," "anticipates," "intends," "plans," "projects," "believes" and "estimates," and variations of these words and similar expressions, identify these forward-looking statements. 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 wafer fabrication, molecular beam epitaxy and test, tape and reel facilities and the Company's conversion from four-inch to six-inch wafer manufacturing, its ability to manage rapid growth and to attract and retain skilled personnel, variability in production yields, its ability to control and reduce costs and improve gross margins on highly integrated 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.

RF MICRO DEVICES[®] and RFMD[®] are trademarks of RFMD, LLC.

SOURCE: RF Micro Devices

CONTACT: Dean Priddy, Chief Financial Officer, or Doug DeLieto, Vice President of Investor Relations, +1-336-664-1233, both of RF Micro Devices