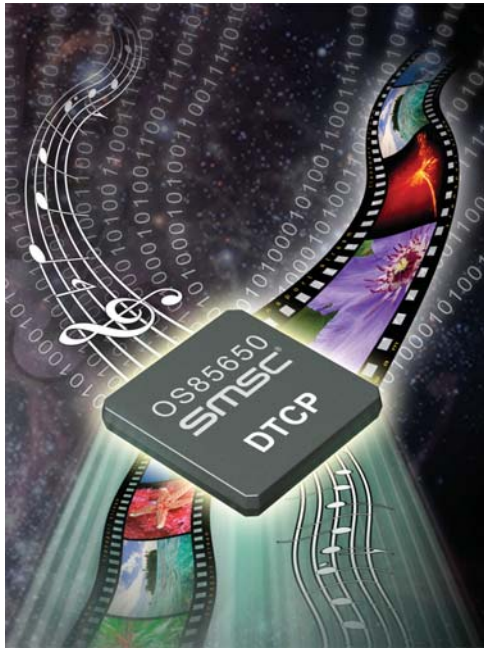




SMSC Introduces Low-Cost, High-Performance I/O Port Expander and DTCP Co-Processor for MOST® Networks

OS85650 Expands Audio/Video Capability for Next Generation Automotive Infotainment Devices



Hauppauge, NY, June 29, 2009 – SMSC (NASDAQ: SMSC), a leading semiconductor company that provides Smart Mixed-Signal Connectivity™ solutions, today announced the OS85650 I/O companion chip for MOST® Intelligent Network Interface Controllers (INICs).

With its multiple interfaces, powerful routing engine and the DTCP co-processor, the OS85650 can be used for various audio and video applications such as Head Units, Rear Seat Entertainment, Amplifiers, TV-Tuners and Video Displays.

The OS85650 works together with SMSC INICs for all MOST speed grades (MOST25, MOST50 and MOST150) and can replace many of today's expensive FPGA solutions.

“With its expanded communication ports, this companion chip allows the INIC family to stay cost optimized in providing minimal application interfaces at a low pin count,” said Stefan Lux, Product Marketing Manager for SMSC's Automotive group. “Together with the INIC, the OS85650

offers a complete solution for network applications, including data exchange on MOST networks.”

The primary function of the OS85650 is to route data streams simultaneously between industry standard application I/O interfaces, including MediaLB® (3-Pin and 6-Pin), HBI, TSI, SPI and I²S. It is the first MediaLB 6-Pin device that supports all features of the MOST150 multimedia network. Together with the 16 bit parallel Host Bus Interface (HBI), it enables a high-speed connection between the INIC150 and multiple External Host Controllers (EHCs) with over 300Mbit/s. It is also possible to use the OS85650 as a bridge between MediaLB 6-Pin and MediaLB 3-Pin devices.

The high-performance routing engine operates at an internal speed up to 1.5 GBit/s. It is able to route on top of the standard MOST network communication, Ethernet IP packets, multiple MPEG-TS and several high quality 7.1 audio streams.

The Digital Transmission Content Protection (DTCP) co-processor autonomously encrypts and decrypts up to 8 multiple synchronous and isochronous data channels routed through the device. It includes full AKE functionality and supports both M6 and AES-128 cipher engines according to DTCP for MOST and DTCP-IP. This content protection is required for high quality audio and video content, like DVD, Blu-ray Disc™ and HD-Broadcasting Services.

Availability:

In addition to the OS85652, a pin-compatible version without a DTCP coprocessor is available. Samples of the OS85650 and the OS85652 are available now.

About SMSC's Automotive Product Line:

SMSC's Automotive Information Systems is a supplier of TrueAuto™ networking and infotainment semiconductor solutions to major automakers, including Audi, BMW, Daimler, Hyundai/Kia, Jaguar, Land Rover, Porsche, Toyota and Volvo. SMSC is a founding member of the MOST Cooperation, a cooperative of automakers, automotive systems architects and manufacturers and key components suppliers working to extend and refine the MOST® standard for the evolving requirements of automotive multimedia networking. Additional information is available at www.smisc-ais.com.

About SMSC:

Many of the world's most successful global technology companies rely upon SMSC as a go-to resource for semiconductor system solutions that span analog, digital and mixed-signal technologies. Leveraging substantial intellectual property, integration expertise and a comprehensive global infrastructure, SMSC solves design challenges and delivers performance, space, cost and time-to-market advantages to its customers. SMSC's application focus targets key vertical markets including consumer electronics, automotive, PC and industrial applications. The Company has developed leadership positions in its select markets by providing application specific solutions such as mixed-signal embedded controllers, non-PCI Ethernet, ARCNET, MOST® and Hi-Speed USB.

SMSC is headquartered in Hauppauge, New York with operations in North America, Asia and Europe. Engineering design centers are located in Arizona, New York, Texas and Karlsruhe, Germany. Additional information is available at www.smisc.com.

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Forward Looking Statements:

Except for historical information contained herein, the matters discussed in this announcement are forward-looking statements about expected future events and financial and operating results that involve risks and uncertainties. These uncertainties may cause our actual future results to be materially different from those discussed in forward-looking statements. Our risks and uncertainties include the timely development and market acceptance of new products; the impact of competitive products and pricing; our ability to procure capacity from our suppliers and the timely performance of their obligations, commodity prices, interest rates and foreign exchange, potential investment losses as a result of liquidity conditions, the effects of changing economic and political conditions in the market domestically and internationally and on our customers; our relationships with and dependence on customers and growth rates in the personal computer, consumer electronics and embedded and automotive markets and within our sales channel; changes in customer order patterns, including order cancellations or reduced bookings; the effects of tariff, import and currency regulation; potential or actual litigation; and excess or obsolete inventory and variations in inventory valuation, among others. In addition, SMSC competes in the semiconductor industry, which has historically been characterized by intense competition, rapid technological change, cyclical market patterns, price erosion and periods of mismatched supply and demand.

Our forward looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations and may not reflect the potential impact of any future acquisitions, mergers or divestitures. All forward-looking statements speak only as of the date hereof and are based upon the information available to SMSC at this time. Such statements are subject to change, and the Company does not undertake to update such statements, except to the extent required under applicable law and regulation. These and other risks and uncertainties, including potential liability resulting from pending or future litigation, are detailed from time to time in the Company's reports filed with the SEC. Investors are advised to read the Company's Annual Report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission, particularly those sections entitled "Other Factors That May Affect Future Operating Results" or "Risk Factors" for a more complete discussion of these and other risks and uncertainties.

SMSC and MOST are registered trademarks and Smart Mixed-Signal Connectivity and TrueAuto are trademarks of Standard Microsystems Corporation. Product names and company names are trademarks of their respective holders.

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