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FOR IMMEDIATE RELEASE

XILINX TO PROVIDE FUNDING

FOR ADVANCED SEIKO EPSON SEMICONDUCTOR FACILITY

Investment of up to \$300 million to ensure supply of leading-edge wafers

SAN JOSE, Calif., May 22, 1996 -- Xilinx, Inc., (NASDAQ:XLNX), the world leader in CMOS programmable logic devices, today announced it will invest up to \$300 million in a new semiconductor manufacturing facility to be built and operated by Seiko Epson Corp. in Sakata, Japan. The advanced manufacturing processes Xilinx will help develop will allow the company over time to quadruple the density of its programmable logic devices into the range of half a million gates.

The agreement calls for Xilinx to make incremental advance payments to Seiko Epson over the next two and a half years to help finance construction of the operation, which will manufacture 8-inch wafers using advanced 0.35 - 0.25 micron CMOS technology. Production at the facility, located about 200 miles north of Tokyo, is expected to begin in early 1998. In return, Xilinx will receive a specified number of wafers from the new line through 2002.

“This agreement strengthens the very close relationship we have enjoyed with Seiko Epson for more than a decade,” said Willem P. Roelandts, Xilinx chief executive officer.

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“We’re confident that our continuing partnership with Seiko Epson will enhance our competitive position and allow us to design products with ever higher densities and faster performance. Just as important, it will help us meet growing customer demand worldwide for our products into the next century,” Roelandts said.

“Xilinx is a valuable customer whose programmable logic devices historically have been process drivers for advanced CMOS manufacturing technology,” said Hideaki Yasukawa, president of Seiko Epson Corp. “We look forward to continuing our close association with Xilinx and helping them increase performance and reduce costs.”

Founded in 1984, Xilinx is the world’s largest supplier of programmable logic solutions comprising industry leading device architectures and world class design software. Headquartered in San Jose, Calif., the company pioneered the market for field programmable gate array (FPGA) semiconductor devices that provide high integration and quick time-to-market for electronic equipment manufacturers in the computer, peripherals, telecommunications, networking, industrial control, instrumentation and high reliability/military markets.

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To the extent that matters covered in this release are forward looking statements, they involve risks and uncertainties, including timely availability and acceptance of new products, business conditions, the growth of the programmable logic market, and other risks that are described in the company’s SEC filings, including the Form 10-Q for the quarter ended March 30, 1996.

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