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XILINX DISCONTINUES ANTIFUSE PRODUCT DEVELOPMENT

Mainstream SRAM- and FLASH-based technologies to serve market

SAN JOSE, Calif., July 31, 1996—Citing the strong market acceptance of SRAM and FLASH technologies, Xilinx, Inc. (NASDAQ:XLNX) today announced it will discontinue the company's XC8100 family of one-time programmable antifuse devices. The company said it will concentrate on its core field programmable gate arrays (FPGAs) and complex programmable logic devices (CPLDs).

The company anticipates taking a pretax charge against earnings in the approximate amount of $5 million, primarly relating to the write-off of inventories held by Xilinx, its distributors and its foundry partners.

"The XC8100 team successfully developed a number of patented, industry-first innovations in antifuse architecture, design, programming and processes, accomplishments no one else in the entire semiconductor industry has been able to achieve so far with this difficult technology," said Xilinx CEO Wim Roelandts. "But the market has chosen. Compared with SRAM development, there are very few people working in antifuse. As a result, antifuse will lag behind SRAM, entail disproportionately large development costs, and be relegated to limited markets. For these reasons we believe further investments in antifuse product development are too large to be justified."

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The company said employees involved with antifuse development will take on new duties in other areas in the company. Resources and research and development spending will be redirected to core areas of the business to exploit new opportunities. Among others, those include the company's LogiCore program of drop-in modules, new applications that exploit the reconfigurable nature of Xilinx FPGAs, and in-system programmability, a feature of the Xilinx FLASH-based XC9500 family of CPLDs.

Xilinx announced the one-time programmable XC8100 antifuse product line in September 1995 and only recently began providing sample products to customers. The company said a number of options are available to support current XC8100 customers, including helping them move designs to other Xilinx products and providing software upgrades for those devices.

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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