

March 14, 2011

## Japan Earth Quake Supply Chain Integrity

Atmel has closely monitored the recent events in Japan. We extend our sincerest sympathies to those who have been directly affected by this tragedy.

We continue to evaluate any potential effect on our business, and the indirect effect on our customers. At this time, we have not experienced any disruptions to our supply chain, and we are not currently seeing any nearterm, adverse implications for our customers resulting from the disaster. Nonetheless, as part of our Business Continuity Planning, we have been taking, and will continue to take, steps to ensure that any potential supply chain interruptions are minimized or eliminated, if they arise.

While Atmel does not have direct manufacturing in Japan, we, as do most semiconductor manufacturers, rely on suppliers who may source materials from the region. We are in close contact with those suppliers. Initial responses from these sources indicate that they do not expect any short term supply chain disruption, although the macro-economic effects of this disaster still remain uncertain and other related issues could affect the overall sector.

We will continue to monitor our suppliers and will provide any updates as appropriate.

Please bear with us in this difficult time. Like many of you, we have offices and employees in Japan. In addition to addressing the needs of our customers, we are focused, as well, on the health, safety and well-being of our employees and their families.

Please contact me if you require additional information.

Regards

Fred Bishel

Global Quality Systems Engineer Atmel Corporation

719-540-1188