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Alpha Wins Semiconductor Production Order From Siemens AG; Company Begins Volume Shipments of GaAs Integrated Circuits for Siemens' Next-Generation Wireless Handsets

WOBURN, Mass.--(BUSINESS WIRE)--Jan. 9, 2001--Alpha (Nasdaq: AHAA) today announced that it has begun shipping volume production of its market-leading GaAs integrated circuits (IC) into Siemens AG's newest dual-band GSM wireless handsets for the European market. Alpha expects full production to begin by June 2001. Siemens, the world's fourth-largest handset manufacturer, emerged as one of the fastest-growing mobile phone companies in the third quarter of 2000, according to newly released research from Gartner Dataquest.

"Alpha continues to broaden its business with the global leaders in the wireless handset market," said Alpha President and CEO Dave Aldrich. "We are, once again, pleased to see our semiconductor solutions designed into a market leader's cornerstone platform of next generation handsets. Our success in securing design wins and subsequent production contracts at Siemens is a tribute to our design team's efforts and reflects the continuing success of our global customer diversification strategy."

Dave Fryklund, General Manager of Alpha's Integrated Circuit Business Unit, said that the Siemens contract underscores Alpha's strategy to expand its relationship with key OEM handset customers. "We expect our involvement with Siemens and the other market-leading handset manufacturers to increase as we continue to offer improved performance in our GaAs control IC's and as we introduce the first switch-filter solutions this quarter based on our new Alpha Integration Platform."

Alpha has diversified its roster of wireless customers over the past several quarters. In addition to the Siemens contract, the company has secured sole-source design wins in all of Ericsson's newest phones offered for the Americas, and has substantially increased production-shipments to Mitsubishi and Samsung. At the same time, the company placed power amplifiers and switches in Motorola's three recently announced new phones. In the wireless infrastructure market, Alpha has significantly increased shipments of products for 2.5G and 3G platforms at Alcatel, Ericsson and Nokia.

About Alpha

Alpha is a leading provider of RF integrated circuit-based solutions, including semiconductors and ceramic components, for the broadband and wireless communications markets. Alpha's GaAs switches, power amplifiers and discrete semiconductors are used by the world's leading broadband, infrastructure and wireless communications companies to enhance the speed, quality and performance of voice, data and video. The company's recently announced Alpha Integration Platform™ (aiIP™) is a breakthrough manufacturing, packaging and design technique that reduces design complexity and improves the OEM's overall time to market for new products. For more information, please visit Alpha's Web site, www.alphaind.com.

Safe Harbor Statement - Except for the historical information contained herein, this news release contains forward-looking statements under the Private Securities Litigation Reform Act of 1995. These statements constitute the Company's current intentions, hopes, beliefs, expectation or predictions of the future, which are, therefore, inherently subject to risks and uncertainties. The Company's actual results could differ materially from those anticipated in the Company's forward-looking statements based on various factors, including without limitation: cancellation or deferral of customer orders, including but not limited to the order from Siemens Corporation for GaAs ICs; growth of the wireless Internet access market; dependence on a small number of large customers, difficulties in the timely development and market acceptance of new products including the Company's HBT amplifiers, market developments that vary from the current public expectations concerning the growth of wireless communications, difficulties in manufacturing new or existing products in sufficient quantity or quality, increased competitive pressures, decreasing selling prices for the Company's products, or changes in economic conditions. Further information on factors that could affect the Company's performance is included in the Company's periodic reports filed with the SEC, including but not limited to the Company's Form 10-K for the year ended April 2, 2000, and subsequent Forms 10-Q. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any such statements to reflect any change in the Company's expectations or any change in events, conditions or circumstance on which any such statement is based.

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