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## **ACTEL ANNOUNCES FIRST QUARTER 2009 FINANCIAL RESULTS**

Mountain View, Calif. – Actel Corporation (NASDAQ: ACTL) today announced net revenues of \$48.5 million for the first quarter of 2009, down 12 percent from the first quarter of 2008 and down 8 percent from the fourth quarter of 2008.

Non-GAAP net income, which excludes stock-based compensation, expenses associated with a restructuring initiated during the first quarter, and other non-recurring adjustments, was \$0.8 million for the first quarter of 2009 compared with \$2.9 million for the first quarter of 2008 and \$3.3 million for the fourth quarter of 2008.

Including stock-based compensation, expenses associated with the restructuring, and other non-recurring adjustments in accordance with generally accepted accounting principles (GAAP), Actel reported a net loss of (\$3.0) million, or (\$0.11) per basic share, for the first quarter of 2009 compared with a net income of \$0.2 million, or \$0.01 per diluted share, for the first quarter of 2008 and a net loss of (\$12.5) million, or (\$0.48) per basic share, for the fourth quarter of 2008. First quarter charges of \$1.1 million for expenses associated with the

restructuring adversely affected net income in accordance with GAAP for the first quarter of 2009.

Gross margin was 57.1 percent for the first quarter of 2009 compared with 58.5 percent for the first quarter of 2008 and 59.1 percent for the fourth quarter of 2008. Gross margin for the first quarter of 2009 was negatively impacted by a \$1.5 million charge associated with low yield wafers.

#### *Business Outlook – Second Quarter 2009*

The Company believes that second quarter 2009 revenues will decline sequentially 1 percent to 7 percent. Gross margin is expected to be about 59 percent. Operating expenses are anticipated to come in at approximately \$28 million, which excludes an estimated \$1.8 million of stock-based compensation expense and \$0.6 million associated with the acquisition of Pigeon Point Systems. Other income is expected to be about \$1.2 million. The tax rate for the quarter is expected to be about 30 percent. Outstanding fully diluted share count is expected to be about 26.3 million shares.

#### *Conference Call*

A conference call to discuss first quarter results will be held Tuesday, April 28, 2009, at 2:00 p.m. Pacific Time. A live web cast and replay of the call will be available. Web cast and

replay access information as well as financial and other statistical information can be found on Actel's web site, [www.actel.com](http://www.actel.com).

### *Corporate Restructuring*

Actel announced in January a company-wide restructuring plan to increase profitability. In conjunction with cost-reduction initiatives taken in the fourth quarter of 2008, the restructuring is expected to result in a quarterly reduction in expenses of approximately \$6.5 million in the third quarter of 2010 compared with the third quarter of 2008. The Company estimates that approximately \$5.5 million of the quarterly reductions will be in operating spending and that the balance of savings will be in cost of goods sold. The Company expects to record aggregate charges of \$4.0 million to \$4.5 million for severance and other costs related to the restructuring by the beginning of the third quarter of 2010, when the restructuring will be substantially complete.

### *Non-GAAP Adjustments and Reconciliation*

This release includes non-GAAP net income, non-GAAP net income per share data and other non-GAAP line items from the Condensed Consolidated Statements of Operations, including total costs and expenses, income from operations, and income before tax provision. These measures are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP measures used by other companies. These non-GAAP adjustments are provided to enhance the user's overall understanding of our operating performance. Actel

believes that the presentation of these non-GAAP measures, when shown in conjunction with the corresponding GAAP measures, provides useful information to both management and investors regarding financial and business trends relating to Actel's financial condition and results of operations, in particular by excluding certain expense and income items that we believe are not indicative of our core operating results. Actel believes these non-GAAP financial measures are useful to investors in allowing for greater transparency with respect to supplemental information used by management in its financial and operational decision making. In addition, since we have historically reported non-GAAP results to the investment community, we believe the inclusion of non-GAAP numbers provides consistency in our financial reporting.

#### *Forward-Looking Statements*

*The statements in the paragraphs under the headings "Corporate Restructuring" and "Business Outlook – Second Quarter 2009" are forward-looking statements made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and should be read with the "Risk Factors" in Actel's most recent Form 10-Q or 10-K, which can be found on Actel's web site, [www.actel.com](http://www.actel.com). Actel's anticipated results from its restructuring plan and its projected revenues and operating results for the second quarter of 2009 are subject to a multitude of risks, including general economic conditions and a variety of risks specific to Actel or characteristic of the semiconductor industry, such as a failure to achieve the full projected results of the restructuring plan, fluctuating demand, intense competition, rapid technological change and related intellectual property and international trade issues, wafer and other supply shortages, and booking and shipment uncertainties. These and the other Risk Factors make it difficult for Actel to*

*accurately project quarterly revenues and operating results, and could cause actual results to differ materially from those projected in the forward-looking statements. Any failure to meet expectations could cause the price of Actel's stock to decline significantly. Actel undertakes no obligation to update any information contained in this press release.*

#### *About Actel*

Actel is the leader in low-power FPGAs and mixed-signal FPGAs, offering the most comprehensive portfolio of system and power management solutions. Power Matters. Learn more at [www.actel.com](http://www.actel.com).

Editor's Note: The Actel name and logo are registered trademarks of Actel Corporation.

**ACTEL CORPORATION**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands except per share amounts)

|  | <b>Three Months Ended</b> |                         |                         |
|--|---------------------------|-------------------------|-------------------------|
|  | <b>Apr. 5,<br/>2009</b>   | <b>Jan. 4,<br/>2009</b> | <b>Apr. 6,<br/>2008</b> |
|  | unaudited                 | unaudited               | unaudited               |
| Net revenues.....  | <b>\$ 48,459</b>          | \$ 52,786               | \$ 54,756               |
| Costs and expenses:                                      |                           |                         |                         |
| Cost of revenues.....                                    | <b>20,785</b>             | 21,598                  | 22,738                  |
| Research and development .....                           | <b>16,393</b>             | 14,851                  | 16,709                  |
| Selling, general, and administrative.....                | <b>13,490</b>             | 15,714                  | 16,780                  |
| Restructuring charges.....                               | <b>1,119</b>              | 2,424                   | —                       |
| Amortization of acquisition-related<br>intangibles ..... | <b>193</b>                | 338                     | —                       |
| Total costs and expenses.....                            | <b>51,980</b>             | 54,925                  | 56,227                  |
| Loss from operations.....                                | <b>(3,521)</b>            | (2,139)                 | (1,471)                 |
| Interest income and other, net.....                      | <b>1,752</b>              | 1,335                   | 1,932                   |
| Income (loss) before tax provision (benefit).....        | <b>(1,769)</b>            | (804)                   | 461                     |
| Tax provision .....                                      | <b>1,187</b>              | 11,688                  | 285                     |
| Net income (loss) .....                                  | <b>\$ (2,956)</b>         | \$ (12,492)             | \$ 176                  |
| Net income (loss) per share:                             |                           |                         |                         |
| Basic.....   | <b>\$ (0.11)</b>          | \$ (0.48)               | \$ 0.01                 |
| Diluted.....   | <b>\$ (0.11)</b>          | \$ (0.48)               | \$ 0.01                 |
| Shares used in computing net income (loss)<br>per share: |                           |                         |                         |
| Basic.....   | <b>26,027</b>             | 25,784                  | 26,487                  |
| Diluted.....   | <b>26,027</b>             | 25,784                  | 26,677                  |

**RECONCILIATION OF NON-GAAP STATEMENTS OF OPERATIONS TO GAAP  
STATEMENTS OF OPERATIONS  
(Unaudited, in thousands)**

|   | <b>Three Months Ended</b> |                         |                         |
|---|---------------------------|-------------------------|-------------------------|
|   | <b>Apr. 5,<br/>2009</b>   | <b>Jan. 4,<br/>2009</b> | <b>Apr. 6,<br/>2008</b> |
|   | <u>          </u>         | <u>          </u>       | <u>          </u>       |
| <b>Cost and expenses:</b>   |                           |                         |                         |
| Non-GAAP research and development.....  | \$ <b>15,105</b>          | \$ 13,511               | \$ 15,683               |
| Adjustments related to stock based compensation and<br>other .....                      | <u>1,288</u>              | <u>1,340</u>            | <u>1,026</u>            |
| GAAP research and development.....  | <u>\$ <b>16,393</b></u>   | <u>\$ 14,851</u>        | <u>\$ 16,709</u>        |
| <br>  |                           |                         |                         |
| Non-GAAP restructuring charges.....   | \$ -                      | \$ -                    | \$ -                    |
| Adjustments related to restructuring.....   | <u>1,119</u>              | <u>2,424</u>            | <u>-</u>                |
| GAAP restructuring charges .....  | <u>\$ <b>1,119</b></u>    | <u>\$ 2,424</u>         | <u>\$ -</u>             |
| <br>  |                           |                         |                         |
| Non-GAAP amortization of acquisition-related<br>intangibles .....                       | \$ -                      | \$ -                    | \$ -                    |
| Adjustments related to amortization of acquisition-<br>related intangibles .....        | <u>193</u>                | <u>338</u>              | <u>-</u>                |
| GAAP amortization of acquisition-related<br>intangibles .....                           | <u>\$ <b>193</b></u>      | <u>\$ 338</u>           | <u>\$ -</u>             |
| <br>  |                           |                         |                         |
| Non-GAAP selling, general and administrative .....                                      | \$ <b>12,454</b>          | \$ 14,347               | \$ 14,189               |
| Adjustments related to stock based compensation,<br>option investigation and other..... | <u>1,036</u>              | <u>1,367</u>            | <u>2,591</u>            |
| GAAP selling, general and administrative.....   | <u>\$ <b>13,490</b></u>   | <u>\$ 15,714</u>        | <u>\$ 16,780</u>        |

**RECONCILIATION OF NON-GAAP STATEMENTS OF OPERATIONS TO GAAP  
STATEMENTS OF OPERATIONS**

**(Unaudited, in thousands)**

|   | <b>Three Months Ended</b> |                         |                         |
|---|---------------------------|-------------------------|-------------------------|
|   | <b>Apr. 5,<br/>2009</b>   | <b>Jan. 4,<br/>2009</b> | <b>Apr. 6,<br/>2008</b> |
|   | <u>          </u>         | <u>          </u>       | <u>          </u>       |
| <b>Income (loss) from operations:</b>                             |                           |                         |                         |
| Non-GAAP income from operations .....                             | \$ 115                    | \$ 3,330                | \$ 2,146                |
| Adjustments related to stock based compensation<br>and other..... | <u>(3,636)</u>            | <u>(5,469)</u>          | <u>(3,617)</u>          |
| GAAP loss from operations.....                                    | <u>\$ (3,521)</u>         | <u>\$ (2,139)</u>       | <u>\$ (1,471)</u>       |
| <br><b>Interest income and other, net:</b>                        |                           |                         |                         |
| Non-GAAP interest income and other, net .....                     | \$ 1,036                  | \$ 1,335                | \$ 1,932                |
| Adjustments related to insurance reimbursement .....              | <u>716</u>                | <u>—</u>                | <u>—</u>                |
| GAAP interest income and other, net .....                         | <u>\$ 1,752</u>           | <u>\$ 1,335</u>         | <u>\$ 1,932</u>         |
| <br><b>Income (loss) before tax provision:</b>                    |                           |                         |                         |
| Non-GAAP income before tax provision .....                        | \$ 1,151                  | \$ 4,665                | \$ 4,078                |
| Adjustments related to stock based compensation<br>and other..... | <u>(2,920)</u>            | <u>(5,469)</u>          | <u>(3,617)</u>          |
| GAAP (loss) income before tax provision.....                      | <u>\$ (1,769)</u>         | <u>\$ (804)</u>         | <u>\$ 461</u>           |



**RECONCILIATION OF NON-GAAP STATEMENTS OF OPERATIONS TO GAAP  
STATEMENTS OF OPERATIONS**

**(Unaudited, in thousands except per share amounts)**

|   | <b>Three Months Ended</b> |                         |                         |
|---|---------------------------|-------------------------|-------------------------|
|   | <b>Apr. 5,<br/>2009</b>   | <b>Jan. 4,<br/>2009</b> | <b>Apr. 6,<br/>2008</b> |
|   | <u>          </u>         | <u>          </u>       | <u>          </u>       |
| <b>Net income (loss):</b>   |                           |                         |                         |
| Non-GAAP net income.....  | \$ 806                    | \$ 3,266                | \$ 2,855                |
| Adjustments related to stock based<br>compensation, deferred tax valuation<br>allowances, other, and tax..... | <u>(3,762)</u>            | <u>(15,758)</u>         | <u>(2,679)</u>          |
|   |                           | \$                      |                         |
| GAAP net income (loss) .....  | <u>\$ (2,956)</u>         | <u>(12,492)</u>         | <u>\$ 176</u>           |
| <br><b>Net income (loss) per share:</b>   |                           |                         |                         |
| <b>Basic:</b>   |                           |                         |                         |
| Non-GAAP net income per share .....   | \$ 0.03                   | \$ 0.13                 | \$ 0.11                 |
| Adjustments related to stock based<br>compensation, deferred tax valuation<br>allowances, other and tax ..... | <u>(0.14)</u>             | <u>(0.61)</u>           | <u>(0.10)</u>           |
| GAAP net income (loss) per share.....   | <u>\$ (0.11)</u>          | <u>\$ (0.48)</u>        | <u>\$ 0.01</u>          |
| <br><b>Diluted:</b>   |                           |                         |                         |
| Non-GAAP net income per share .....   | \$ 0.03                   | \$ 0.13                 | \$ 0.11                 |
| Adjustments related to stock based<br>compensation, deferred tax valuation<br>allowances, other and tax ..... | <u>(0.14)</u>             | <u>(0.61)</u>           | <u>(0.10)</u>           |
| GAAP net income (loss) per share.....   | <u>\$ (0.11)</u>          | <u>\$ (0.48)</u>        | <u>\$ 0.01</u>          |

**ACTEL CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands)

|  | <b>Apr. 5,<br/>2009</b> | <b>Jan. 4,<br/>2009</b> |
|--|-------------------------|-------------------------|
| <b>ASSETS</b>                                      | <b>(Unaudited)</b>      | <b>(Audited)</b>        |
| Current assets:                                    |                         |                         |
| Cash and cash equivalents .....                    | \$ 46,036               | \$ 49,639               |
| Short-term investments .....                       | 85,072                  | 89,111                  |
| Accounts receivable, net .....                     | 21,765                  | 11,596                  |
| Inventories.....                                   | 56,030                  | 60,630                  |
| Deferred income taxes .....                        | 11,313                  | 11,313                  |
| Prepaid expenses and other current assets .....    | 7,876                   | 6,888                   |
| Total current assets .....                         | <u>228,092</u>          | <u>229,177</u>          |
| Long-term investments .....                        | 8,764                   | 7,807                   |
| Property and equipment, net .....                  | 33,588                  | 34,747                  |
| Goodwill and other intangible assets, net .....    | 35,347                  | 35,540                  |
| Deferred income taxes .....                        | 13,834                  | 13,968                  |
| Other assets, net .....                            | 20,745                  | 22,022                  |
|  | <u>\$ 340,370</u>       | <u>\$ 343,261</u>       |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>        |                         |                         |
| Current liabilities:                               |                         |                         |
| Accounts payable .....                             | \$ 10,516               | \$ 14,672               |
| Accrued compensation and employee benefits.....    | 8,067                   | 11,240                  |
| Accrued licenses .....                             | 2,244                   | 3,952                   |
| Other accrued liabilities .....                    | 5,432                   | 5,274                   |
| Deferred income on shipments to distributors ..... | 30,506                  | 24,316                  |
| Total current liabilities .....                    | <u>56,765</u>           | <u>59,454</u>           |
| Deferred compensation plan liability.....          | 4,152                   | 4,086                   |
| Deferred rent liability.....                       | 1,447                   | 1,449                   |
| Accrued sabbatical compensation.....               | 2,561                   | 2,739                   |
| Other long-term liabilities, net.....              | 6,539                   | 7,208                   |
| Total liabilities .....                            | <u>71,464</u>           | <u>74,936</u>           |
| Shareholders' equity .....                         | 268,906                 | 268,325                 |
|  | <u>\$ 340,370</u>       | <u>\$ 343,261</u>       |