

February 1, 2011

Dear Customer:

This letter is to inform you that after more than 10 years of production, Xilinx Inc. is discontinuing the Virtex-E, Virtex-EM, Virtex-II, and Spartan-IIE families of FPGAs. Xilinx and its foundry partner, UMC, have made a business decision to close one of their wafer manufacturing lines due to very limited volume and the need for capacity expansion into newer technologies. Xilinx will formally announce the decision to discontinue these product lines in April, 2011.

Xilinx’ policy is to promptly inform our customers of product discontinuations to enable them to plan for their production needs. Xilinx is taking several steps to mitigate the impact of this closure on its customers. We have extended production as long as possible and are building inventory at maximum capacity, well ahead of demand, in order to extend the “Last Time Ship” date. Xilinx will invest and hold inventory of these products for an extended period of time well beyond the manufacturing line closure. This action will enable shipments well beyond the industry standard 12 month “Last Time Buy” and, 6 month “Last Time Ship” dates, to help customers better manage future planning. There will be a 20% holding fee assessed for all shipments beyond the industry standard “Last Time Ship” date of October, 2012.

While line closures like this are never welcome news, it is inevitable that the economics associated with maintain a production line of this capacity do not function when overall volume drops below a profitable level. In the last two years, the electronic components industry has been challenged and has undergone some dramatic dynamic conditions. I hope you feel Xilinx has done a very good job of maintaining our portion of your supply chain. Your business is important to Xilinx. I thank you for your continued support of Xilinx as your programmable components supplier. Please refer to the associated materials and contact your local sales representative for support related to this change.

Sincerely,

Frank Tornaghi

Senior Vice President Worldwide Sales

Xilinx, Inc.