

NEWS RELEASE

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Spansion's Second-Generation MirrorBit™ Technology Goes Wireless, Paves Way for Enhanced Mobile Phones

– New technology optimized for wireless platforms; premier product lines deliver unrivaled price-performance for phone makers around the world –

SUNNYVALE, CA – June 15, 2004 – Spansion, the world leader in NOR Flash memory, today announced a powerful new technology optimized for wireless platforms that will help expand the capabilities and accelerate adoption of next-generation mobile phones. Second-generation MirrorBit™ technology supports phones with high-resolution cameras, streaming video, and cutting edge games and applications at a cost structure so compelling that Spansion believes MirrorBit technology will become the next industry standard in Flash memory.

“Second-generation MirrorBit technology is a sea change welcomed by the wireless industry because we designed it to meet specific customer needs,” said Bertrand Cambou, president and CEO of Spansion. “Before second-generation MirrorBit technology, phone designers struggled to offer the next level of advanced features and high performance in the key sub-\$100 consumer price range. Now, mobile phone makers and chipset vendors are so enthusiastic about the fundamental price-performance advantages of MirrorBit technology that we believe it will become the next industry standard for wireless Flash memory, just as we set standards in floating-gate technology.”

“SAMSUNG Electronics is very pleased with Spansion’s focus on customer needs in the development of second-generation MirrorBit technology,” said KS Hyun, Vice president of telecommunication networks at SAMSUNG Electronics. “Spansion’s new technology provides exactly the kind of price-performance needed for us to continue delivering many of the industry’s most innovative and unique mobile phones.”

Because they retain their data even after the power is switched off, Flash memory devices enable mobile phones to handle on-the-fly software upgrades, extensive personalization, and highly flexible application and data storage. MirrorBit technology is a next-generation Flash memory technology that doubles the density of traditional Flash memory products by storing two separate pieces of information in a single memory cell. Spansion is the world's leading producer of NOR Flash memory according to industry analyst firms including iSuppli, Gartner and IC Insights. Spansion™ products are available from AMD (NYSE: AMD) and Fujitsu (TSE: 6702).

The global market for Flash memory is forecast to grow rapidly from its 2004 estimate of \$15 billion, according to industry analyst firm Gartner. MirrorBit technology's ability to address traditional NOR markets, combined with its potential to address data and media storage markets with increasingly optimized solutions, positions it to expand into all applications as the next standard in the overall Flash market. By rethinking the fundamental technology behind Flash memory and rapidly bringing these innovations into commercial production, Spansion continues a distinguished record as an innovator and manufacturing powerhouse and is shaping the future of the global Flash memory market.

1.8-volt products based on second-generation MirrorBit™ technology

The new Spansion 1.8-volt WS-N Flash memory family, the premier wireless-optimized product line based on second-generation MirrorBit technology, offers the industry's best price-performance as phone manufacturers focus on the late 2004 and 2005 production cycles. The new family includes 256-, 128- and 64-megabit products in single-die and MCP configurations to maximize value for customers who leverage a single phone platform for high-end, mainstream and value models.

"ARM recognizes that a high-performance memory subsystem, enabled by innovations like second-generation MirrorBit technology, is critical to maximizing the potential of an ARM processor-based phone design," said Oliver Gunasekara, director, Wireless at ARM. "Spansion's new technology was clearly designed with customer needs in mind."

"TI baseband chipsets and OMAP application processors, like Spansion's second-generation MirrorBit technology, are designed to enable a broad spectrum of feature-rich mobile phones and PDAs," said Loic Hamon, worldwide marketing manager for 2.5G cellular systems at Texas Instruments. "Together, TI chipsets and Spansion memory can enable higher phone performance, longer battery life and better cost structure for our mutual customers."

To meet customer needs, the family also offers:

- 80 MHz maximum burst mode read frequency, providing as much as 150 MB/sec. sustained throughput
- 2.5 Mb/sec. maximum write throughput using accelerated buffered operations
- Upgraded Advanced Sector Protection security to streamline the protection of critical operating system code, settings and applications against thieves, hackers and viruses
- Simple migration from single-die configurations to multiple multi-chip package (MCP) options using the standard Spansion memory pinout

Spansion has worked extensively with other leaders in their respective industries to establish comprehensive support for second-generation MirrorBit technology and reduce customer time-to-market for solutions based on the WS-N memory family:

- Top wireless baseband and application processor makers are actively working to validate the WS-N family with current chipsets, future chipsets and reference designs.
- Spansion today provides software drivers and Flash file system software to simplify customer development on custom platforms as well as industry-standard platforms based on Symbian OS, Microsoft® Windows® Mobile and versions of Linux.
- Spansion currently offers VHDL, Verilog and IBIS models to speed design validation in industry-standard circuit simulators. Denali Software provides additional models for use with its simulation software.
- Leading Flash memory programmer manufacturers Data I/O, BP Microsystems, Minato Electronics and System General will support high-volume customer production based on single-die and multi-chip package (MCP) configurations of WS-N products. A programming socket is available from leading interconnect manufacturer WELLS-CTI.
- Boundary scan (JTAG) tools from GOEPEL electronic, JTAG Technologies and Asset Intertech support the WS-N family to speed the testing and programming of devices assembled to a circuit board.

The Spansion WS-N product family is currently sampling to customers in single-die and multi-chip package (MCP) configurations. Spansion expects third-quarter production of the 256-megabit product, fourth-quarter production of the 128-megabit product and first-quarter 2005 production for the 64-megabit product. The 256-, 128- and 64-megabit products are priced at \$14.00, \$9.00 and \$5.75 each, respectively, in quantities of 10,000.

3.0-volt products based on second-generation MirrorBit™ technology

To address the 3-volt wireless market, Spansion is accelerating the migration of its S29GL512N NOR Flash memory product to 110-nanometer second-generation MirrorBit technology. This industry-leading product, which first sampled in September 2003 will leverage Spansion's

accelerated technology ramp to enable volume production in the third quarter using 110nm second-generation MirrorBit technology. To meet customer requirements for performance and security, the S29GL512N features page-mode operation to provide read throughput up to 55 MB/sec. and Advanced Sector Protection security to protect against thieves, hackers and viruses.

About Spansion™ Flash Memory Products

Spansion™ Flash memory products encompass a broad spectrum of densities and features to support a wide range of markets. Spansion Flash memory customers represent leaders in the wireless, cellular, automotive, networking, telecommunications and consumer electronics markets. There are a variety of Spansion Flash memory products, such as devices based on the innovative MirrorBit™ technology; the award-winning simultaneous read-write (SRW) product family; super low-voltage 1.8-volt Flash memory devices; and burst- and page-mode devices. Information about Spansion Flash memory solutions is available at <http://www.spansion.com/overview>.

Spansion was formed by the integration of AMD's and Fujitsu's Flash memory operations in 2003. It is the largest NOR Flash memory company in the world. Spansion Flash memory solutions are available worldwide from AMD (NYSE:AMD) and Fujitsu (TSE:6702).

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Cautionary Statement

This release contains forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements in this release involve risks and uncertainty that could cause actual results to differ materially from current expectations. Risks include the possibility that demand for the company's Flash memory products will be lower than currently expected, particularly in the mobile telephone sector, and that the company will not be able to increase its Flash memory market share; that Intel Corporation will negatively affect NOR Flash memory prices; that customer acceptance of MirrorBit technology will not continue to increase; that the company will not continue to be successful integrating the Flash memory operations of FASL LLC, or be able to achieve or sustain any benefit from its creation; that the company will not be able to meet demand for its Flash memory products; that the company may not achieve its current product and technology introduction schedules; that the company's transition to 110nm manufacturing processes for Flash memory will not occur in the expected time frame and that the company will not recognize the expected benefits from the technology transition. We urge investors to review in detail the risks and uncertainties in the company's Securities and Exchange Commission filings, including but not limited to the Annual Report on Form 10-K for the year ended December 28, 2003, and the Quarterly Report on Form 10-Q for the quarter ended March 28, 2004.

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