

AMI Semiconductor, Inc. Completes Acquisition of Certain Assets of Starkey Laboratories, Inc.'s Integrated Circuit Design Group

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Acquisition Strengthens Relationship and Increases Scale to Support Growing Audiology Market

Pocatello, Idaho – July 14, 2006 – AMI Semiconductor, Inc., a subsidiary of AMIS Holdings, Inc. (NASDAQ: AMIS), a designer and manufacturer of state-of-the-art integrated mixed-signal products and structured digital products for the automotive, medical and industrial sectors, today announced that it successfully completed its acquisition of certain assets of Starkey Laboratories, Inc.'s (Starkey) integrated circuit design center for approximately \$6 million in cash.

Under the terms of the asset purchase agreement, AMI Semiconductor acquired certain assets from the Starkey design center located in Colorado Springs, Colorado that designs specialized, low power audiology integrated circuits used in Starkey hearing aids. As part of the acquisition, 20 highly skilled mixed signal and DSP designers will join AMI Semiconductor and will continue to specialize in the development of DSP based mixed signal ICs to complement AMI Semiconductor's existing design talent.

In addition, AMI Semiconductor and Starkey entered into a long-term supplier agreement whereby AMI Semiconductor is now the major supplier of silicon for Starkey's hearing aid products. AMI Semiconductor expects this acquisition to be neutral to non-GAAP earnings per share in 2006.

"The acquisition and supplier agreement are designed to leverage the strengths of each company," stated Robert Tong, AMI Semiconductor's senior vice president, medical and wireless group. "In addition, this acquisition and long term supplier agreement add scale to our growing audiology core competencies and strengthen our relationship with Starkey."

About Starkey Laboratories, Inc.

Headquartered in Eden Prairie, Minnesota, Starkey Laboratories, Inc. is a worldwide provider of comprehensive digital hearing systems, including custom and standard devices, protection products, instrumentation and unique business solutions. Founded in 1967, Starkey owns the Audibel, Micro-Tech, NuEar, Omni and Qualitone companies and operates facilities in 24 countries. Starkey is the recognized world leader in the design and development of innovative custom digital hearing instruments. For more information visit www.starkey.com.

About AMI Semiconductor

AMI Semiconductor (AMIS) is a leader in the design and manufacture of silicon solutions for the real world. As a widely recognized innovator in state-of-the-art integrated mixed-signal products and structured digital products, AMIS is committed to providing customers with the optimal value, quickest time-to-market semiconductor solutions. Offering unparalleled manufacturing flexibility and dedication to customer service, AMI Semiconductor operates globally with headquarters in Pocatello, Idaho, European corporate offices in Oudenaarde, Belgium, and a network of sales and design centers located in the key markets of North America, Europe and the Asia Pacific region.

Forward Looking Statements

Statements in this press release other than statements of historical fact are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act

of 1995. These forward-looking statements include statements relating to the expectation that the acquisition will be neutral to non-GAAP earnings per share in 2006. These forward-looking statements involve risks and uncertainties that could cause the actual results to differ materially from those anticipated by these forward-looking statements. These risks include the potential that the acquisition may not be neutral to non-GAAP earnings per share in 2006. The Company does not intend to revise or update any forward-looking statements to reflect events or circumstances after the date of this press release.