July 19, 2011

Intel to Acquire Fulcrum Microsystems

SANTA CLARA, Calif.--(BUSINESS WIRE)-- Intel Corporation today announced it signed a definitive agreement to acquire Fulcrum Microsystems Inc., a privately held fabless semiconductor company that designs Ethernet switch silicon for data center network providers.

"Intel is transforming from a leading server technology company to a comprehensive data center provider that offers computing, storage and networking building blocks," said Kirk Skaugen, Intel vice president and general manager, Data Center Group. "Fulcrum Microsystems' switch silicon, already recognized for high performance and low latency, complements Intel's leading processors and Ethernet controllers, and will deliver our customers new levels of performance and energy efficiency while improving their economics of cloud service delivery."

10 Gigabit Ethernet (10GbE) networks are one of the fastest-growing market segments in the data center today. As demand for data continues to increase, there is a growing need for high-performance, low-latency network switches to support evolving cloud architectures and the growth of converged networks in the enterprise. Fulcrum Microsystems designs integrated, standards-based 10GbE and 40 Gigabit Ethernet (40GbE) switch silicon that have low latency and workload balancing capabilities while helping provide superior network speeds.

Cloud computing is driving the convergence of server, storage and network technologies and solutions based around Intel(R) Xeon(R) processor solutions. IP Data Center customers need faster and more flexible networking solutions. The acquisition will fulfill an important component in Intel's strategy to deliver comprehensive data center building blocks, from server processors and technologies to storage and networking.

"Customers in Web, financial services, technical and high-performance computing market segments appreciate the performance advantages Arista offers with our Extensible Operating System combined with switches based on Fulcrum Microsystems silicon," said Andy Bechtolsheim, founder, chief development officer and chairman of Arista Networks. "Fulcrum Microsystems has architecture capabilities ideal for low-latency applications, and we are excited about the future possibilities of this technology as Fulcrum is acquired by Intel, the world's largest semiconductor manufacturer."

Founded in 1999, Fulcrum Microsystems is based in Calabasas, Calif. Additional terms of the transaction were not disclosed. The agreement is subject to the approval of Fulcrum Microsystems shareholders, regulatory approval and satisfaction of customary closing conditions. It is expected to close in the third quarter of 2011.

About Intel

Intel (NASDAQ:INTC) is a world leader in computing innovation. The company designs and

builds the essential technologies that serve as the foundation for the world's computing devices. Additional information about Intel is available at newsroom.intel.com and blogs.intel.com.

Intel and the Intel logo are trademarks of Intel Corporation in the United States and other countries.* Other names and brands may be claimed as the property of others.

Source: Intel Corporation