Lattice Semiconductor Updates 1Q13 Guidance

March 19, 2013

HILLSBORO, OR -- (MARKETWIRE) -- 03/19/13 -- Lattice Semiconductor Corporation (NASDAQ: LSCC) today updated its guidance for the first quarter ending March 30, 2013 to reflect customer demand strength in the communications and consumer market segments.

- Revenue for the first quarter 2013 is now expected to increase approximately 6% to 8% on a sequential basis. This compares to prior guidance provided on January 24, 2013 that revenue was expected to decline approximately 2% to 4% on a sequential basis.

- Due to the higher expected revenue contribution from the communications and consumer market segments, gross margin percentage is now expected to be at the lower end of the Company's prior guidance of approximately 54% plus or minus 2%.

- Total operating expenses are expected to be approximately $35.5 million, including approximately $0.5 million in restructuring charges. This is unchanged from prior guidance.

No conference call will be held in conjunction with this guidance update. Additional information will be available when the Company reports its first quarter 2013 results.

Forward-Looking Statements:

The foregoing paragraphs contain forward-looking statements that involve estimates, assumptions, risks and uncertainties. Such forward-looking statements include statements relating to our business outlook, expected revenue, gross margin, total operating expenses, and projected restructuring charges. Other forward-looking statements may be indicated by words such as "will," "could," "should," "would," "expect," "plan," "anticipate," "intend," "forecast," "believe," "estimate," "predict," "propose," "potential," "continue" or the negative of these terms or other comparable terminology. Lattice believes the factors identified below could cause actual results to differ materially from the forward-looking statements.

Estimates of future revenue are inherently uncertain due to, among other things, the high percentage of quarterly "turns" business. In addition, revenue is affected by such factors as global economic conditions, which may affect customer demand, pricing pressures, competitive actions, the demand for our Mature, Mainstream and New products, the ability to supply products to customers in a timely manner, changes in our distribution relationships, or the volatility of our consumer business. Actual gross margin percentage and operating expenses could vary from the estimates on the basis of, among other things, changes in revenue levels, changes in product pricing and mix, changes in wafer, assembly, test and other costs, including commodity costs, variations in manufacturing yields, the failure to sustain operational improvements, the actual amount of compensation charges due to stock price changes. Further, the impact of any restructuring, including the restructuring actions initiated during the fourth quarter of 2012, will depend on, among other factors, the final actions taken, negotiation of related expenses with third parties, the timing of restructuring activities and the ability of the Company to successfully reallocate functions formerly addressed by the employees and other resources eliminated in the restructuring. Any unanticipated declines in revenue or gross margin, any unanticipated increases in our operating expenses or unanticipated charges could adversely affect our profitability.

In addition to the foregoing, other factors that may cause actual results to differ materially from the forward-looking statements in this press release include the Company's dependencies on its silicon wafer and other suppliers, global economic uncertainty, overall semiconductor market conditions, market acceptance and demand for our new products, the impact of competitive products and pricing, technological and product development risks, and the other risks that are described in this press release and that are otherwise described from time to time in our filings with the Securities and Exchange Commission. The Company does not intend to update or revise any forward-looking statements, whether as a result of events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

About Lattice Semiconductor

Lattice is a service-driven developer of innovative low cost, low power programmable design solutions. For more information about how our FPGA, CPLD and programmable power management devices help our customers unlock their innovation, visit www.latticesemi.com. You can also follow us via Twitter, Facebook, or RSS.

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