

## Zarlink Solves Femtocell Synchronization Challenge

- Advanced Timing over Packet (ToP) technology supports both IEEE1588-2008 and NTPv4 protocols to provide high performance and cost-efficient synchronization for femtocell access points

**Ottawa, Canada, November 16, 2009** -- Zarlink Semiconductor (TSX: ZL) today announced that its standards-based ToP algorithm and Timing Protocol software solution, in combination with processor expertise from leading vendors, provides carriers with a complete solution that meets the performance requirements for synchronization at a mass market cost point. Zarlink believes that this development represents a significant milestone in the path to wide deployment of home and enterprise femtocells. Carriers deploy femtocells, which are small cellular base stations designed for residential and enterprise environments, to improve voice and data services by extending wireless network coverage in areas where access is limited. In addition, femtocells reduce backhaul costs by routing wireless voice and data traffic through the customer's broadband connection. According to Infonetics Research, the femtocell market is expected to reach 68.6 million units by 2013.

"Femtocells represent a significant opportunity for our network synchronization solutions, with large carriers now launching femtocells worldwide," said Jamileh Davoudi, product line marketing manager with Zarlink's Timing and Synchronization group. "Combining our packet network timing expertise with field-proven products from a leading femtocell chip supplier, such as picoChip, enables us to deliver reliable solutions that will allow manufacturers to develop a new range of products that support reduced development deployment costs and power requirements."

To bring reliable, high-quality wireless voice service, Zarlink's ToP technology uses the packet network to provide synchronization for the femtocells. Based on IEEE1588-2008 and NTPv4 protocols, ToP technology offers frequency accuracy performance of better than 50 parts per billion (ppb) to align the femtocell timing signals with the cellular network. In comparison, competing solutions rely on costly high-precision crystal oscillators or less reliable indoor global positioning systems (GPS).

Zarlink's new femtocell specific ToP algorithm and software is a standalone product portable to processor and SoC devices from leading vendors. Both IEEE1588 precision time protocol (PTP) and network timing protocol (NTP) solutions targeting WCDMA will be available to picoChip customers for porting to the PC302 and PC312 devices in early 2010.

Complete information on Zarlink's ToP technology, including application notes and data sheets, is available to qualified MyZarlink users. Register for a MyZarlink account at <http://www.zarlink.com/zarlink/hs/register.htm>. For more on Zarlink's Timing and Synchronization expertise, visit <http://www.zarlink.com/zarlink/hs/timing.htm>

### About Zarlink Semiconductor

For over 30 years, Zarlink Semiconductor has delivered semiconductor solutions that drive the capabilities of voice, enterprise, broadband and wireless communications. The Company's success is built on its technology strengths including voice and data networks, optoelectronics and ultra low-power communications. For more information, visit <http://www.zarlink.com/>.

Shareholders and other individuals wishing to receive, free of charge, copies of the reports filed with the U.S. Securities and Exchange Commission and Regulatory Authorities, should visit the Company's web site at <http://www.zarlink.com/> or contact Investor Relations.

Certain statements in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and assumptions include, among others, the following: our dependence on the successful development and market introduction of new products; our ability to integrate any business, technologies, product lines or services that we have or will acquire; our dependence on revenue generation from our legacy products in order to fund development of our new products; current market conditions, including the lack of liquidity in the markets and economic slowdown, may increase our operating costs or reduce our revenue, thereby negatively impacting our operating results; our ability to operate profitably and generate positive cash flows in the future; the impact of the current economic crisis on our suppliers and customers and our ability to transfer parts to other suppliers; our dependence on our foundry

suppliers and third-party subcontractors; order cancellations and deferrals by our customers; our substantial indebtedness could adversely affect our financial position; the cost and accounting implications of compliance with new accounting standards; and other factors referenced in our Annual Report on Form 20-F. Investors are encouraged to consider the risks detailed in this filing.