

Carbon Design Systems Acquires SoC Designer from ARM
Carbon Forms New Irvine, Calif., Development Facility

CAMBRIDGE, UK and ACTON, MASS. — July 7, 2008 — ARM

[(LSE:ARM); (Nasdaq:ARMH)], and Carbon Design Systems™, the leading supplier of tools for the automatic creation, validation and deployment of system level models, announced today an agreement under which Carbon will take over future development, support and sale of the SoC Designer tool.

Key members of the ARM® SoC Designer development team will join Carbon Design Systems and form a new Carbon development office located in Irvine, Calif. Carbon will also gain access to ARM intellectual property (IP) in order to optimize its tools to generate cycle-accurate models of ARM processors, PrimeCell® peripherals and fabric IP. This will enable ARM Partners to create cycle-accurate models of ARM IP, and provide a seamless transition for users of the SoC Designer tool to a new environment based upon models generated directly from ARM register transfer level (RTL) code.

“The ability to optimize the Carbon tool chain to work seamlessly with ARM’s intellectual property is a natural extension of Carbon’s model-focused strategy,” said Rick Lucier, CEO of Carbon. “The majority of our customers are already using ARM IP in their system on chip (SoC) designs. This agreement will enable Carbon to deliver a complete cycle-accurate tools solution to our customers, including the SoC Designer tool, enabling the generation of highly accurate models derived directly from the IP RTL code.”

“As a leading company in system model creation, Carbon is a natural partner for the continuing support of our customers using SoC Designer and cycle-accurate models of ARM IP,” said John Cornish, vice president and general manager, ARM System Design Division. “The agreement between ARM and Carbon will ensure customers have access to a fast, cycle-accurate design environment in which they can architect and validate advanced SoC designs. It will also make cycle-accurate modeling of ARM IP available for use in other environments, ensuring our customers have a choice of design flows.”

“Carbon doubled its customer base last year by focusing our resources in the virtual prototyping space,” added Lucier. “Working with ARM, we will now be able to further shorten the time-to-market schedules of our SoC customers by accelerating the generation of accurate, high-speed models.”

“This agreement gives Carbon access to ARM IP to optimize our automated cycle-accurate model creation tools for all of ARM processors and PrimeCell IP including the latest Cortex™-A9 application processor. We will be working non-stop to quickly bring this model generation capability to ARM Partners,” said Tom Rathje, vice president of Engineering at Carbon. “The model generation flow will be optimized and validated alongside the RTL code, ensuring speed and accuracy. The processor models will also leverage the Carbon model application programming interface (API) to offer a direct connection to the ARM RealView® Debugger. Carbon-generated models of ARM IP will offer our customers the fastest, most-accurate path for firmware development and architectural exploration.”

About ARM

ARM designs the technology that lies at the heart of advanced digital products, from wireless, networking and consumer entertainment solutions to imaging, automotive, security and storage devices. ARM's comprehensive product offering includes 32-bit RISC microprocessors, graphics processors, enabling software, cell libraries, embedded memories, high-speed connectivity products, peripherals and development tools. Combined with comprehensive design services, training, support and maintenance, and the company's broad Partner community, they provide a total system solution that offers a fast, reliable path to market for leading electronics companies. More information on ARM is available at <http://www.arm.com>.

About Carbon Design Systems

Carbon is the leading supplier of system-level tools to automatically create, validate and deploy software models generated from Verilog and/or VHDL descriptions. Carbon's models are used in conjunction with SystemC simulation platforms to enable architecture profiling and software validation in parallel with hardware development. Problems can be found and resolved early in the design cycle, rather than waiting for prototypes to be built or silicon to be delivered. Its solutions are based on open industry standards, including SystemC, SCML, Verilog, VHDL, OSCI TLM, MDI, CASI, CADI and CAPI. Carbon's customers are systems, semiconductor, and IP companies that focus on communications, networking, and consumer electronics. Carbon is headquartered at 125 Nagog Park, Acton, Mass., 01720. Telephone: (781) 264-7300. Facsimile: (781)

264-9990. Email: info@carbondesignsystems.com. Web site:

www.carbondesignsystems.com.

###

ARM, RealView and PrimeCell are registered trademarks of ARM Limited. Cortex is a trademark of ARM Limited. All other brands or product names are the property of their respective holders. "ARM" is used to represent ARM Holdings plc; its operating company ARM Limited; and the regional subsidiaries: ARM, Inc.; ARM KK; ARM Korea Ltd.; ARM Taiwan Limited; ARM France SAS; ARM Consulting (Shanghai) Co. Ltd.; ARM Belgium N.V.; AXYS Design Automation Inc.; ARM Germany GmbH; ARM Embedded Technologies Pvt. Ltd.; and ARM Norway, AS.

Carbon Design Systems acknowledges trademarks or registered trademarks of other organizations for their respective products and services.

For more information, contact:

Nanette Collins
For Carbon Design Systems
(617) 437-1822
nanette@nvc.com

Michelle Spencer
For ARM
+44 1628 427780
michelle.spencer@arm.com