



look closer
ami semiconductor 2004 overview

WORLDWIDE HEADQUARTERS

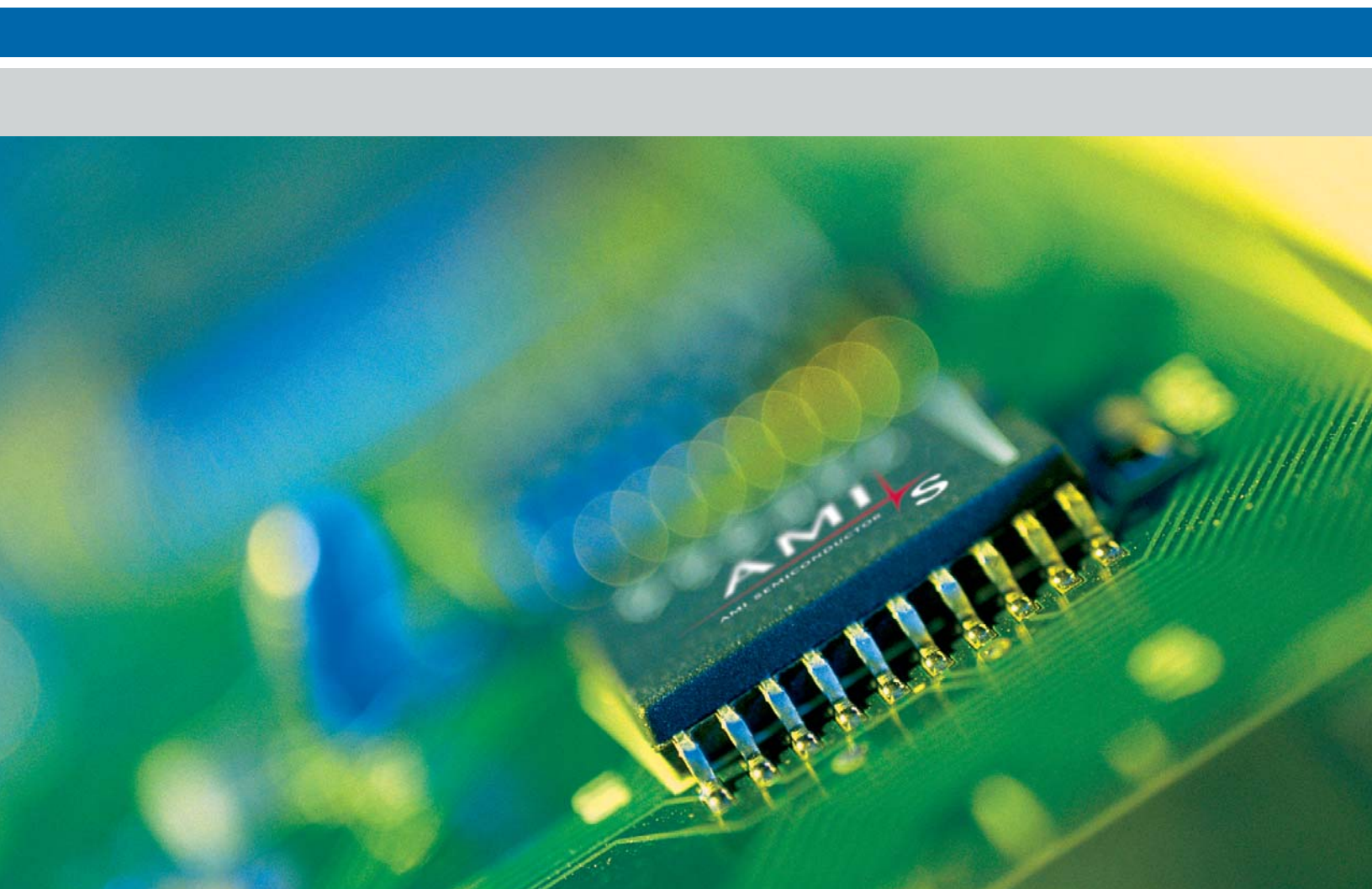
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EUROPEAN HEADQUARTERS

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It isn't difficult to see how technology is enhancing 21st century life. Look closer, though, and you'll discover how AMI Semiconductor is enhancing that technology. In the cars we drive, the healthcare we depend on, the appliances we use, and the machines we work with, AMIS is everywhere that technology makes a difference, developing and delivering silicon solutions for the real world. Just as we've been doing for the past four decades.



to our shareholders

As a leader in the design and manufacture of silicon solutions for the real world, we are delighted to report record results for fiscal year 2004. Once again, our revenues grew over the prior year, rising to \$517.3 million from \$454.2 million in 2003, with gross margins also improving for the second year in a row. Our GAAP net income increased significantly to \$52.4 million, or \$0.60 cents per fully diluted share, compared to a net loss of \$0.4 million, or (\$0.84) cents per share in 2003. Additionally, we ended the year with a healthy balance sheet and a cash balance of \$161.7 million.

Taking a closer look at AMI Semiconductor's steady growth, one can cite our long operating history, diversified business, and focus on the automotive, medical

and industrial markets, which grew in aggregate by 19 percent in 2004 compared to 2003. In addition, we increased our three-year design win revenue in these markets by 12 percent year-over-year.

In the automotive sector, AMIS is a world leader in the design and manufacture of solutions that capitalize on the rapidly growing semiconductor content required in vehicles today, by enhancing vehicle performance, safety and real-time diagnostic information. This continues to be our largest target market, at 26 percent of total revenues with an annualized revenue increase of 19 percent for 2004 and a 9 percent increase in design win revenue over 2003.

In the medical industry, AMIS is the leader in custom silicon solutions that improve the quality

of medical imaging, patient treatment and diagnostics.

We also enable high-performance implantable and portable devices such as pacemakers, glucose monitors, hearing aids, wireless transceivers, and remote patient monitoring. The medical market drove our strongest new design win activity with 52 percent year-over-year revenue growth. This represents our largest single end market growth area for design wins.

We further reinforced our commitment to the medical market in 2004 with our acquisition of Dspfactory Ltd. This acquisition enabled us to gain leading-edge mixed-signal, ultra-low power digital signal processing (DSP) products and experience, making us the leader in worldwide digital hearing aids. As the industry moves

a letter from our CEO

toward a wireless environment, we will combine our newly acquired DSP capability with our analog expertise and low data rate wireless technology to continue our strong technical leadership in this market. Working with our top-tier customers on emerging technologies is making an indelible mark on patient care.

Looking at the industrial sector, AMIS is a leading-edge supplier of high-quality, reliable semiconductor solutions that can withstand the harsh environmental conditions of heat, electrical noise and high voltage that are typical of industrial products such as security systems, home appliances and factory auto-

mation equipment. Our industrial applications – such as circuit integration, sensor interface, valve and appliance control, and wireless security and alarm systems – are helping consumers where they work, play and live. Our industrial market represented the highest growth segment of any of our markets in 2004, with revenue increasing by 24 percent as compared to 2003.

Our structured digital business unit experienced 24 percent year-over-year growth in 2004 and introduced the next generation of its XPressArray® family. XPressArray-II (XPA-II) addresses the challenges and costs for medium-density,

high-speed, 1.5V and 1.2V ASIC applications and high-density FPGA-to-ASIC conversions. AMIS is the first and only company to provide a combination of defined processes, software tools and manufacturing expertise to efficiently convert FPGA solutions into higher-performance, cost-effective structured digital products. The XPA-II structured ASIC technology was selected as the winner of the first DesignCon DesignVision Award in the structured/platform ASIC, FPGA and PLD Design tool category.

Our mixed-signal foundry business continues to offer unparalleled manufacturing flexibility and

dedication to customer service in order to provide process longevity and long-term product support to our target markets.

As an innovator in state-of-the-art integrated mixed-signal solutions, our custom products have successfully penetrated real-world applications. We continue to add value to our customers' products through the expansion of our core competencies, including analog/mixed-signal design, unique high-voltage and low-power technology, our growing portfolio of intellectual property, and high-quality manufacturing. The AMIS team has demonstrated our ability to make our customers successful.

2004 was another excellent year for us at AMIS. The predictable and sustainable growth of our target markets resulted in record revenue and profits. Although we expect the challenging environment to result in slower growth into 2005, we believe the stability of our end markets, new products entering production, customer visibility and technology leadership will position us for further growth, success and profitability.

I would like to express my sincere thanks and appreciation to our employees, customers and stockholders for their continued dedication and support. We look

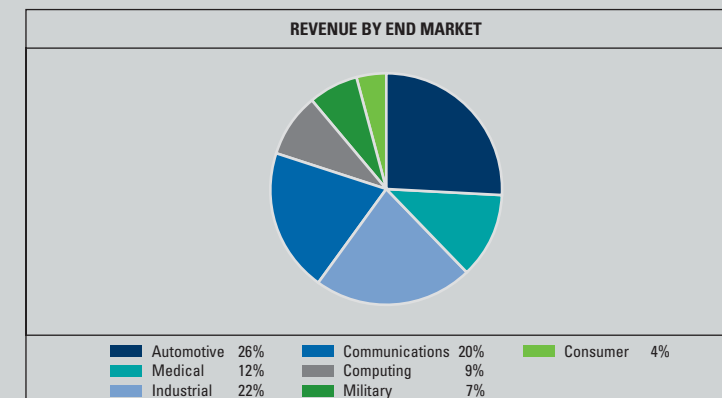
forward to sharing our success with you for many years to come.



Christine King

Christine King
President and Chief Executive Officer

"2004 was another excellent year for us at AMIS. The predictable and sustainable growth of our target markets resulted in record revenue and profits."





we keep engines humming



we help doctors see more

driving innovation
AMIS auto applications

- air bag sensing
- braking
- central body control
- compass
- electrical steering
- fuel level
- fuel pump
- gearbox
- mirror
- motor temperature
- suspension level
- window lifter

to your health
AMIS medical applications

- blood glucose monitoring
- body temperature sensing
- cardiac rhythm management
- neurostimulation
- hearing aids
- insulin pumps
- diagnostic medical imaging
- remote patient monitoring

on the road

in healthcare

we make headlights bend

we open doors

we help brakes perform better

we help save lives

we keep hearts beating

we help people hear

we make medication automatic

we help doctors monitor patients



When the automotive industry requires innovation, we provide innovative solutions. We not only help make better vehicles, we help protect their drivers as well. AMIS technology enables motorists to open their doors without a key. And we keep them safer, with technology for braking more steadily, for seeing around dark corners and for deploying air bags. AMIS is a world leader in the networking of automotive electronics.

Our sensor interfaces are inside vehicle braking and stability control systems, brake-by-wire and drive-by-wire systems, and gas emission regulation systems. Remote entry/starting, door locking and support for tire pressure monitoring are controlled by our low data rate wireless devices. And our high-voltage interface technology helps prevent power surges that can damage vehicle electronics.

A leading-edge supplier of semi-conductors for automotive equipment makers worldwide, AMIS offers a one-stop solution, from definition of specifications to final manufacture. Employing the system-on-a-chip approach that has become increasingly popular in the automotive marketplace, we use the semiconductor process technology that best supports the application.

AMI Semiconductor is on the cutting edge of digital medicine. Look closer, and you'll discover that our technology is helping people to better hear the world around them, and helping their hearts keep pace with it. Their doctors can see much more using medical imaging, and can check up on them from afar using remote patient monitoring technology.

AMIS leads the way toward better hearing aids, with digital signal processing technology that enhances sound and speech intelligibility. Our solutions that empower portable medical devices, including blood glucose meters and body temperature sensors, combine low power, small size and optimal cost. And implantable devices — such as pacemakers, defibrillators and insulin pumps —

demonstrate that low power consumption and product reliability aren't just product specs, they're life-saving benefits. Given how many ways we're helping keep people healthy, it's no wonder that more than 30 medical device manufacturers, including the top five electronic system providers, are AMIS customers.

here, there, everywhere
AMIS behind the scenes of life

appliance control
system integration
factory automation
human-machine interfaces
sensor interface
utility metering
valve control
wireless security & alarm systems



we keep servers serving



we make water dance

at work, at play, at home

we fly at mach speed

we keep the plant safe

we keep the factory humming

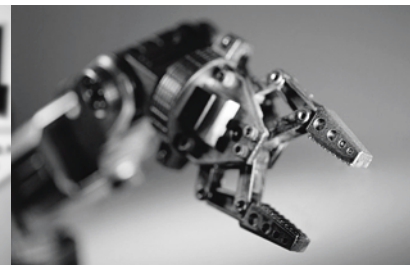
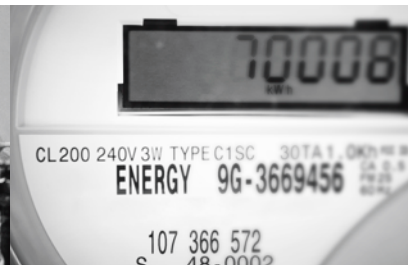
we monitor work flow

we keep colleagues in touch

we do the dishes

we help get the laundry clean

we protect families



Look closer, and you'll find AMI Semiconductor is behind the machines where you work, behind the scenes where you play, and even right at home with you.

At work, our structured digital products control the routers, printers and LAN switches that keep business people in constant touch with colleagues and customers. On the factory floor, our valve

controls and automation technology are driving today's industrial robotics, and sensor interfaces help guide position indicators and motion detection systems for factory automation and power transmission. And in the chemical industry, our flow meters are keeping plants safe for employees.

At play, our system integration choreographs the flow of water in

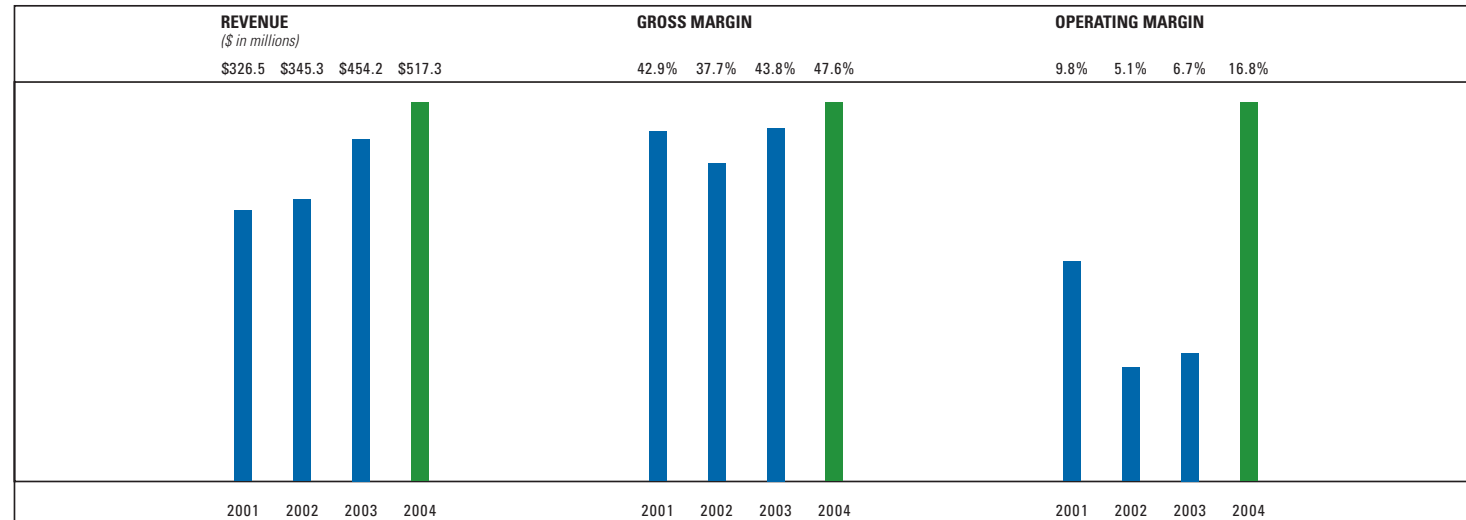
the magnificent leaping fountain outside the Bellagio Hotel & Casino in Las Vegas.

At home, smart, microprocessor-controlled washers, dryers, dishwashers, and refrigerators have us under their stainless steel skins. We're regulating their timing, temperature and pressure, enabling lower energy costs and shorter cleaning and drying times.

And the overhead smoke alarm that could one day save your life is activated by our sensor interfaces.

With more than 30 years of experience in the industrial market, AMIS has the expertise to help design and deliver products that meet the requirements of the most demanding applications.

Where are you right now? Take a look around. Then look a little closer. AMI Semiconductor is there, inside the technology that enhances life in the 21st century. With our wide range of diversified products continuing to add customer value, chances are that you'll keep finding us in more places. Making a contribution everywhere that technology makes a difference. Providing silicon solutions for the real world.



BOARD OF DIRECTORS

Christine King
President and Chief Executive Officer

Dipanjan Deb
Partner, Francisco Partners

Colin Slade
Chief Financial Officer, Tektronix, Inc.

Paul C. Schorr IV
Managing Partner, Citigroup Venture Capital Equity Partners

S. Atiq Raza
Chief Executive Officer, Raza Microelectronics, Inc.

David Stanton
Managing Partner, Francisco Partners

William N. Starling, Jr.
President, Synecor, LLC

James A. Urry
Partner, Citigroup Venture Capital Equity Partners

Gregory Williams
Former Chairman, Intersil Corporation

EXECUTIVE OFFICERS

Christine King
President and Chief Executive Officer

Walter Mattheus
Chief Operating Officer

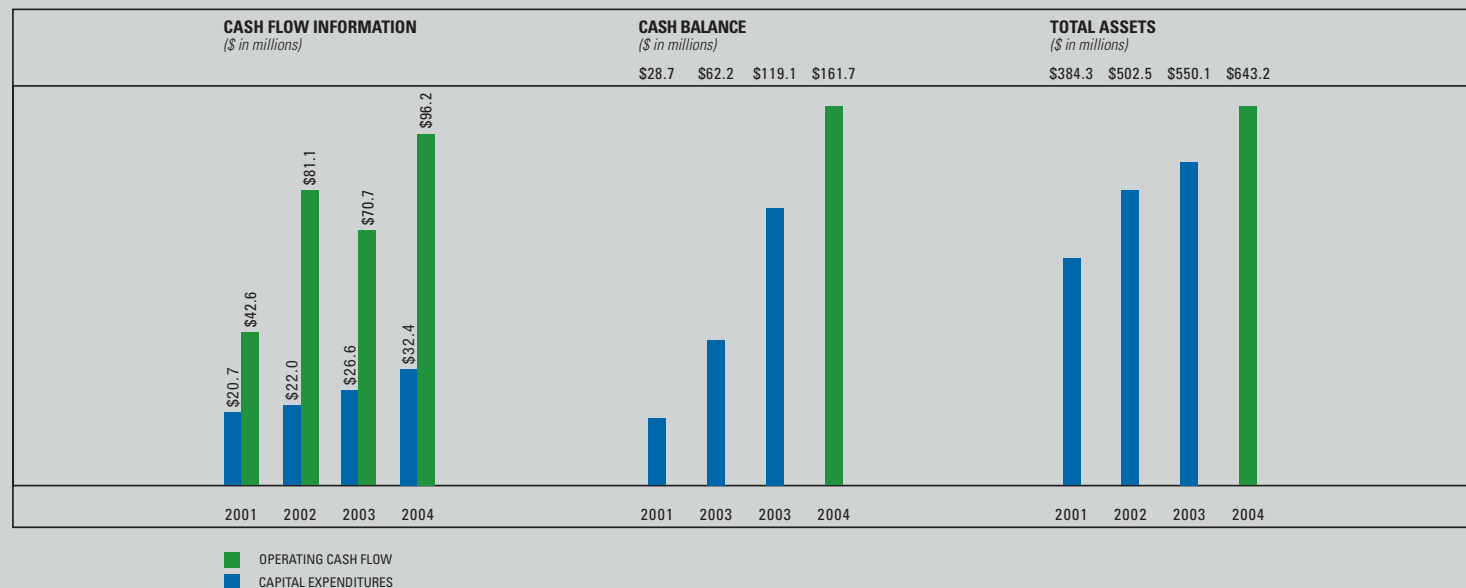
David Henry
Chief Financial Officer

Jon Stoner
Chief Technology Officer

Charlie Lesko
Senior Vice President, Sales and Marketing



Shown at the NASDAQ market are AMIS Semiconductor Executive Officers (L to R) Charlie Lesko, Walter Mattheus, Chris King, Jon Stoner and David Henry.



■ OPERATING CASH FLOW
■ CAPITAL EXPENDITURES

Stock

Stock Symbol: AMIS
Traded on NASDAQ National Market

Corporate Headquarters

AMIS Holdings, Inc.
2300 Buckskin Road
Pocatello, Idaho 83201
Tel: 208.233.4690

Annual Meeting of Shareholders

Thursday, June 2, 2005
Salt Lake City Marriott Downtown
75 South West Temple
Salt Lake City, Utah 84101

Investor Relations

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Additional copies of the Company's Fiscal 2004 Form 10-K are available upon request.

For further information visit our Web site at www.amis.com.

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Independent Auditors

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Corporate Counsel

Darlene E. Gerry,
Senior Vice President
General Counsel & Secretary
AMIS Holdings, Inc.
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