

FOR MORE INFORMATION

Dado Banatao, Chairman
S3, Incorporated
408/986-8144

Anne Banta
S3 Communications
415/366-8484

For Immediate Release

S3, Incorporated Names Terry Holdt President and CEO

SANTA CLARA, Calif., January 20, 1992 -- Terry N. Holdt, an executive with twenty-three years experience in the electronics industry, has joined S3, Incorporated as president and chief executive officer. S3, Incorporated is a VLSI semiconductor company focusing on high performance PC graphics.

Holdt, 48, brings experience in large public companies as well as start-ups and turnaround situations. He joins S3 from Paradigm Technology, Inc. of San Jose, Calif. a supplier of high speed SRAM components. Since July, 1991 he has held the post of chairman. Previously he was Paradigm's president and chief executive officer, responsible for raising capital, building the organization and leading Paradigm into the commercial and military marketplaces from its early development stages.

Prior to joining Paradigm Technology, Holdt was president of Linear Corporation of Carlsbad, Calif. and spent five years at Western Digital Corporation where he held several corporate level positions including vice president of LSI operations, president of semiconductor operations and chief operating officer.

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According to Dado Banatao, co-founder and chairman of S3, Holdt will bring a wealth of operations experience to S3. Banatao, who was S3's chairman, president and CEO, will retain the title of chairman, focusing on strategic product directions, product development and customer interface. "During S3's initial start-up phase, we focused our efforts on product development, creating the 86C911 single-chip, multi-platform GUI accelerator." said Banatao. "Since shipping the 86C911 in August, we have over 50 customer designs world-wide, including systems, add-in boards and motherboard OEMs."

"For S3's new phase of growth, I felt we needed someone with extensive operations experience, who could build an organization to meet the challenges ahead." said Banatao. "Terry Holdt's extensive management experience will give S3 the insight we need to ensure our role as a major player in the graphics arena."

"The 86C911 is an outstanding launch vehicle to build a solid company." "Dado has pulled together a powerful team with unique expertise in product definition and product development" said Holdt. "I am looking forward to building on S3's current product and financial success and I am committed to sustaining that performance over the long term."

Holdt holds an MSEE and BSEE from the University of Illinois.

S3, Incorporated, founded in 1989 by Chips and Technology co-founders Dado Banatao and Ron Yara, is a VLSI semiconductor company. The company's first product, the 86C911 is the first single-chip GUI accelerator in production with integrated ISA, MCA and 486 local-bus interface.

S3 is headquartered at 2933 Bunker Hill Lane, Santa Clara, CA 95054

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