For Immediate Release

Transmeta Announces Features of Next Generation TM8000 Processor for Energy Efficient Computing

Santa Clara, Calif., March 10, 2003 -- Transmeta Corporation (Nasdaq: TMTA), the leader in efficient computing, today disclosed initial information about the company’s next generation TM8000 processor. The TM8000, internally code named Astro, provides significant improvements to performance and energy efficiency for thin-and-light notebooks, tablet PCs, quiet desktops, small office/home office servers and high-density blade servers.

“Transmeta is a leader in mobile computing, first with the Crusoe processor and now with its next generation TM8000 processor, said Tim Bajarin, mobile market analyst and president, Creative Strategies. When computer makers evaluate processors for the next generation of mobile devices and market applications, the TM8000 should be seriously considered for use in any new mobile system.”

In January 2000, Transmeta led a new industry initiative for energy efficient computing when the company announced its first product line, the Crusoe TM5000 series processors. With its introduction of Crusoe processors and their innovative Code Morphing software and LongRun power and thermal management technologies, Transmeta increased awareness within the semiconductor and computer industries that a megahertz (MHz) race at the expense of poor energy efficiency was not in the best interest of mobile computer users. These users require efficient computing, more work per watt, to achieve long battery life and high productivity from mobile devices. Transmeta’s initial efforts and innovative technologies caused the industry to recognize that the most efficient computing results from maximizing the amount of work performed for a given MHz.

“The TM8000 processor is the next step forward in efficient computing,” said Dr. Matthew R. Perry, president and CEO of Transmeta Corporation. As competitors attempt to catch up to Transmeta’s Crusoe TM5000 series processors, Transmeta is setting the bar even higher with the TM8000 processor, which will play a key role in the company’s future growth.”

Transmeta’s next generation TM8000 processor focuses on improving the user experience by increasing computing efficiency. It incorporates advanced versions of Transmeta’s Code Morphing software and LongRun power and thermal management technologies. It also provides an industry leading capability to execute up to eight instructions per clock, compared to only four instructions per clock for most competing processors.

The TM8000 includes three new high performance bus interfaces. It has an on-chip 400 MHz HyperTransportTM bus interface, for increased input/output efficiency. The new processor also includes an on-chip Double Date Rate 400 (DDR-400) SDRAM memory interface. DDR-400 SDRAM substantially increases throughput over earlier DDR-266 interfaces. The TM8000 has an on-chip AGP-4X graphics interface for industry standard, high performance graphics solutions. All three of these new interfaces allow the TM8000 processor to achieve more work per clock, which results in greater energy efficiency and longer battery life for mobile computer users.

“By incorporating an AGP interface directly on the TM8000 processor, Transmeta will be able to achieve design wins in new product platforms that were previously unavailable for TM5000 series processors,” said Dr. Jon Peddie, a leading graphics industry analyst. Transmeta is the first to incorporate a high-performance AGP interface on the processor chip, which continues the company’s innovative strategy of incorporating key chipset functions onto the processor. This is the kind of cost saving and performance enhancement that PC manufacturers desire.”

The TM8000 processor also incorporates the industry standard Low Pin Count (LPC) bus, allowing it to communicate with new, high-density LPC Flash memories. This bolsters Transmeta’s goal of efficient computing by enabling fewer components, design flexibility and enhanced security. The leading edge of renewed corporate IT spending and the
synergy of mobile computing with wireless connectivity will drive mobile PC shipments in 2003, said Shane Rau, senior research analyst, IDC. We estimate that mobile PC unit growth will, in turn, drive mobile PC processor revenues up by over 10% this year to $5 billion.

The TM8000 was first demonstrated to original equipment manufacturer (OEM) customers at COMDEX in November 2002 and is scheduled for mass production in the third quarter of 2003. The formal introduction of the TM8000, and its new brand name, will occur later this year. The TM8000 will be fabricated in TSMC's advanced 0.13 micron semiconductor technology.

About Transmeta Corporation
Transmeta develops and sells software-based microprocessors and develops additional hardware and software technologies that enable computer manufacturers to build computers that simultaneously offer long battery life, high performance and x86 compatibility. Transmeta's family of Crusoe microprocessors is targeted at the notebook, Tablet PC and Internet appliance segments of the mobile Internet computer market, as well as a range of embedded applications. To learn more about Transmeta visit www.transmeta.com.

Transmeta, Crusoe, Code Morphing software and LongRun are trademarks of Transmeta Corporation. All other product or service names mentioned herein are the trademarks of their respective owners.

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This release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements speak only as of the date of this release, and we will not necessarily provide updates of our projections or other forward-looking statements. Investors are cautioned that such forward-looking statements are subject to many risks and uncertainties, and may differ materially or adversely from our actual results or future events. Important risk factors that could have material or adverse effects on our results include general economic and political conditions and specific conditions and volatility in the markets that we address, the rescheduling or cancellation of significant customer orders, market acceptance and adoption of our new products by our present and future customers and end users, difficulties in developing or manufacturing new and existing products in a timely and cost effective manner, our dependence on third parties for sourcing materials and providing manufacturing services, intense competition and competitive pressures, patents and other intellectual property rights, and other risk factors. We urge investors to review our filings with the Securities and Exchange Commission, including our most recent report on Form 10-Q, which describes these and other important risk factors that could have an adverse effect on our results. We undertake no obligation to revise or update publicly any forward-looking statement for any reason.

About HyperTransport™ Technology
HyperTransport is the industry's lowest latency, highest-performance, fully scalable, packet-based interconnect technology serving a wide range of industry segments. It is based on two 2-line to 32-line, asymmetric Low Voltage Differential Signaling (LVDS) links delivering up to 22.4 Gigabytes/second of aggregate CPU to CPU, CPU to I/O bandwidth in a highly efficient point-to-point, daisy-chain topology that replaces complex multi-level, multi-line buses. By enabling system designers to link peripheral subsystems or processors directly to the CPU or to multiple symmetric CPUs, the HyperTransport HTX™ connector makes compute intensive, leading edge CPU-to-I/O and board-to-board designs a reality for server clustering and high performance peripheral applications. HyperTransport technology is embedded in multiple CPU families from AMD, Broadcom, IBM, PMC-Sierra and Transmeta and in a variety of semiconductors and IP cores. It is fully software-compatible with legacy Peripheral Component Interconnect (PCI), PCI-X and PCI Express technologies.

HyperTransport technology has been deployed in tens of millions of devices used in market leading products such as the Microsoft Xbox, Cisco routers, Apple, HP & Sun workstations, Apple, IBM, HP & Sun servers, HP blade PCs, HP & Sharp notebooks, Cray & IBM supercomputers, and all PCs, servers & cluster workstations based on the AMD Athlon™ 64, the AMD Opteron™ and Transmeta Efficeon processors. 2004 industry estimates from market analyst firm InStat project HyperTransport-based system product shipments to have reached nearly 26 million units in 2004 and to exceed 60 million units in 2006.

Specifications, overviews and white papers about HyperTransport technology can be found at www.hypertransport.org/tech/index.cfm.
The HyperTransport Technology Consortium is a membership-based, non-profit organization in charge of managing and promoting HyperTransport Technology. It consists of over 40 industry-leading member companies, including founding members Advanced Micro Devices, Inc., Alliance Semiconductor, Apple Computer, Broadcom Corporation, Cisco Systems, NVIDIA, PMC-Sierra, Sun Microsystems, and Transmeta. Membership is based on a reasonable yearly fee and it is open to any company interested in licensing the royalty-free use of HyperTransport technology and intellectual property. Consortium members have full access to HyperTransport technical documents database, they may attend Consortium meetings and events and may benefit from a variety of technical and marketing services, including the new, member-driven web portal, whose business benefits are part of a wide array of services offered by the Consortium free of charge to member companies. To learn more about member benefits and on how to become a Consortium member, please visit the Consortium Web site at www.hypertransport.org/consortium/cons_join.cfm.

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