



Applied Optoelectronics Increases Credit Line to Fund Working Capital and Manufacturing Expansion

SUGAR LAND, Texas, July 18, 2014 (GLOBE NEWSWIRE) -- Applied Optoelectronics, Inc. (Nasdaq:AAOI), a leading provider of fiber-optic access network products for the cable broadband, internet data center, and fiber-to-the-home markets, today announced that it entered into a new credit agreement with East West Bank to expand its borrowing capacity to \$15 million in order to fund general working capital and manufacturing expansion needs.

"The new credit agreement is consistent with the previously announced capital investment plans and increasing working capital needs to support rising demand in our data center and fiber-to-the-home markets," said James L. Dunn, AOI's CFO. "We are most pleased to have restructured our credit agreement with East West Bank, a long-time partner that has supported AOI since 2009," concluded Mr. Dunn.

The new credit agreement replaces in its entirety the previous \$7 million credit line, reduces the interest rate, eases financial covenants, reduces the reporting burden and eliminates collateralization of AOI's intellectual property. The specific terms of the credit agreement have been provided in an 8-K on file with the SEC.

Forward-Looking Information

This press release contains forward-looking statements. These forward-looking statements involve risks and uncertainties, as well as assumptions and current expectations, which could cause the company's actual results to differ materially from those anticipated in such forward-looking statements. These risks and uncertainties include but are not limited to: reduction in the size or quantity of customer orders; change in demand for the company's products due to industry conditions; changes in manufacturing operations; volatility in manufacturing costs; delays in shipments of products; disruptions in the supply chain; change in the rate of design wins or the rate of customer acceptance of new products; the company's reliance on a small number of customers for a substantial portion of its revenues; potential pricing pressure; a decline in demand for our customers products or their rate of deployment of their products; general conditions in the CATV, internet data center or FTTH markets; changes in the world economy (particularly in the United States, and China); the negative effects of seasonality; and other risks and uncertainties described more fully in the company's documents filed with or furnished to the Securities and Exchange Commission. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "plans," "anticipates," "believes," or "estimates" or by other similar expressions that convey uncertainty of future events or outcomes. You should not rely on forward-looking statements as predictions of future events. All forward-looking statements in this press release are based upon information available to us as of the date hereof, and qualified in their entirety by this cautionary statement. Except as required by law, we assume no obligation to update forward-looking statements for any reason after the date of this press release to conform these statements to actual results or to changes in the company's expectations.

About Applied Optoelectronics

Applied Optoelectronics Inc. (AOI) is a leading developer and manufacturer of advanced optical products, including components, modules, and equipment. AOI's products are the building blocks for broadband fiber access networks around the world, where they are used in the CATV broadband, internet datacenter, and fiber-to-the-home markets. AOI supplies optical networking lasers, components and equipment to tier-1 customers in all three of these markets. In addition to its corporate headquarters, wafer fab and advanced engineering and production facilities in Sugar Land, TX, AOI has engineering and manufacturing facilities in Taipei, Taiwan and Ningbo, China. For additional information, visit www.ao-inc.com.

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