

FOR IMMEDIATE RELEASE

**FREESCALE SEMICONDUCTOR TO USE USB TECHNOLOGY FROM
INNOVATIVE SEMICONDUCTORS**

USB On-The-Go Functionality from Innovative to Power New Consumer Devices

SUNNYVALE, CALIF. – July 26, 2004 – Innovative Semiconductors, Inc.[™] (Innovative), the first third-party Silicon IP (SIP) provider of Universal Serial Bus On-The-Go (USB OTG) PHY technology, today announced that Freescale Semiconductor, Inc., a subsidiary of Motorola, Inc., is in production with chips featuring the Innovative USB core. The Innovative USB 2.0 Transceiver Macrocell Interface Plus (UTMI+) for USB OTG helps Freescale quickly incorporate USB support into its chips.

“We were looking for proven, certified USB 2.0 technology to minimize power consumption and maximize performance,” said Bob Kohls, IP Manager for Freescale's 32-bit Embedded Controller Division. “We chose Innovative’s offering because they provided us with excellent support to port and integrate their silicon proven PHY into our system-on-a-chip (SOC).”

Innovative’s USB PHY transceivers support Device, Host and OTG applications. The technology is proven in silicon, certified for USB 2.0 compliance, and included in the USB integrators list of USB building blocks. Innovative customers are currently in volume production with the USB transceiver and are manufacturing SoCs using several different process technologies for a variety of consumer applications.

“Our Hi-Speed USB OTG PHY technology has been verified and integrated in SOCs by companies that are world leaders in their field” said Nabil Takla, CEO of Innovative. “We ported our reference design to Freescale’s .13u process technology. Freescale was able to quickly go into production with our USB Hi-Speed PHY.”

Innovative actively participates in the USB work groups and is an active member of the USB Implementers Forum. USB continues to gain acceptance as the leading I/O connectivity standard on the market and can be found in more than 1.4 billion consumer electronics, PC and networking devices. USB OTG compliant devices allow users to link to other USB devices without intervention from the PC. This means users can perform such functions as sending photos from a digital camera to a printer, PDA or cell phone.

“The availability of silicon-proven USB Analog Macrocells shortens the design cycle for a USB system on a chip,” said Jeff Ravencraft, USB-IF Chairman and President. “By

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offering silicon intellectual property that has been certified, Innovative is helping to accelerate the adoption of USB OTG applications.”

About Innovative Semiconductors, Inc.

Innovative’s products have gained acceptance among some of the world leaders in the consumer and computer markets. Innovative’s licensees include 3dfx, Agilent, Conexant, Creative Technology, Evans & Sutherland, Freescale Semiconductor, Inc., Honeywell, IBM, Infineon, JPL, LSI Logic, Mitel, National Semiconductor, NVIDIA, Oki, S3, Samsung, Siemens, STMicroelectronics, Trident and Tvia. Innovative’s technology has been designed in a variety of applications ranging from PCs, PC peripherals, Internet appliances, and set-top boxes to satellites. The company is a member of the USB-IF, TSMC IP Alliance Program and UMC IP Program. For more information about Innovative, visit www.isi96.com.

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Contacts: Nabil Takla (CEO)
Innovative Semiconductors, Inc.
(408) 245-7390 x-101
ntakla@isi96.com

Kim Stowe
Stowe Consulting
408-839-8750
kim@kimstowe.com