



Innovative Semiconductors, Inc.

Innovative Introduces Breakthrough Pricing Model for Mixed Signal IP

Flexible model allows designers to evaluate IP cores prior to making a full licensing commitment

SUNNYVALE, CA – December 4, 2006 – Innovative Semiconductors® (Innovative), the premier supplier of IP PHY and controller logic, today announced a new pricing model that allows chip designers to test Innovative IP in their chip designs via an evaluation license before committing to a full license. The new pricing model is the first of its kind in the mixed signal design market, and underscores the company's commitment to quality and customer satisfaction.

Under the new pricing model with evaluation license, designers are given access to all components they would normally get for a full license, with the exception of the layout GDSII file. Designers can use these components in their design activities, including simulation models, timing views, place and route views, and documentation. Purchase is only necessary for pre-tape-out verification, and to obtain the rights for tape-out and manufacture.

"It's always difficult for SoC designers to make a decision on IP purchases sight-unseen, and the consequences of a less-than-optimal decision can be costly and time-consuming," said Christian Heidarson, Gartner Sr. Research Analyst for Semiconductor Intellectual Property and Design Services.

Such pricing models are common in digital logic applications, but until now this flexibility has not been available to designers using analog or mixed-signal IP. With a modest time investment in testing, designers can ultimately shorten their design cycles by ensuring product viability in advance of a full license purchase.

"IP purchase can be very risky, and buyers often don't get what they thought they were buying. With the new Innovative evaluation license, designers get the complete IP package with the exception of the GDSII file, and that eliminates that huge risk," said Nabil Takla, president and CEO of Innovative Semiconductors. "This 'try-before-you-buy' pricing model demonstrates our confidence in the quality and stability of our IP cores, and our commitment to minimizing design risk for our customers."

Pricing for USB 2.0 PHY

Basic IP pricing for the Innovative USB 2.0 high speed off-the-shelf PHY is \$100K for .18μ and \$150K for .13μ. Support is charged as time and material pre- or post-sale.

World-class custom design services

Most designers will find that Innovative's widely used silicon-proven IP cores require little in the way of service and support. However, designers requiring customized solutions can take advantage of Innovative's top-notch custom design services. The design services team boasts an impressive track record and a roster of satisfied clients that include some of the most successful high-tech companies in the world. In addition to this history, the design services team is on the leading edge of emerging



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technologies such as Wireless USB (WUSB), for which Innovative has already developed an ambitious roadmap.

About Innovative Semiconductors

Innovative is a leading supplier for fully compliant and certified USB 2.0 (device, host and OTG), IEEE-1394 PHY and Link Controllers, and Video Compression technologies. The company's devices are utilized in a variety of applications including PCs, PC peripherals, Internet appliances, set top boxes and satellites. Licensed clients include a wide array of high-tech companies, including Agilent, Conexant, Creative Technology, Evans & Sutherland, Freescale (launched by Motorola), Frontier Silicon, Honeywell, IBM, Infineon, LSI Logic, Mentor Graphics, Micron, Mitel, Motorola, NASA, National Semiconductor, NVIDIA, OKI, S3, Samsung, Siemens, ST, Trident Microsystems, Tvia and Ubicom. For more information please visit Innovative: <http://www.innovative-semi.com>.

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