



Portelligent European Office

Niels Kellerhoff • E-mail: niels@portelligent.com

Tel: +49 (211) 514 1265 • Fax: +49 (211) 467 999

Golzheimer Str. 110 • 40476 Duesseldorf • Germany

For immediate release

Portelligent Study: Multi-Chip Packages Now in 90 Percent of Handheld Devices

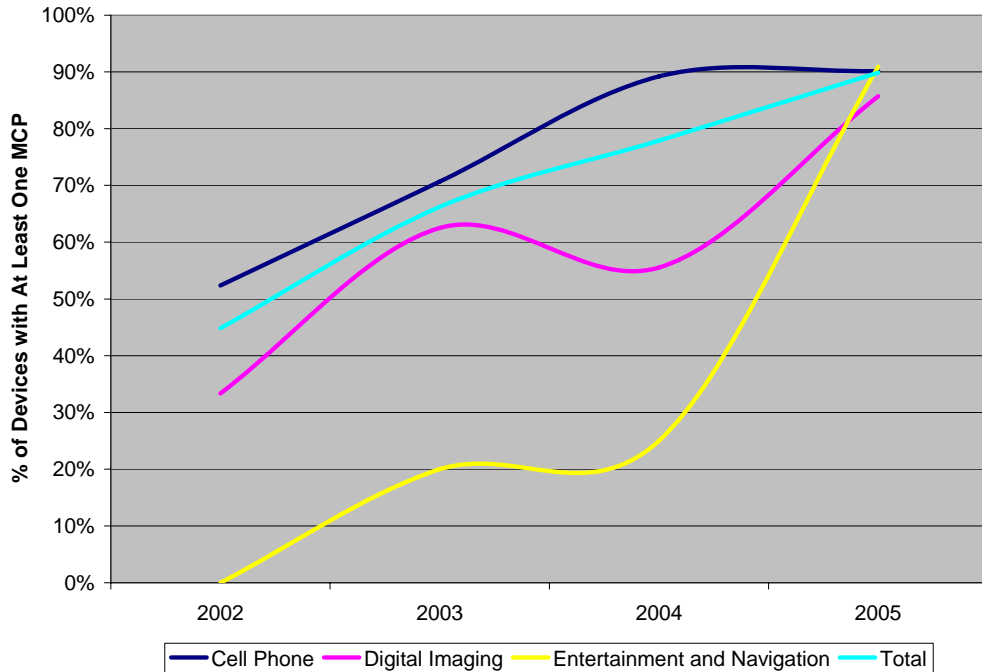
A Study now in progress at Portelligent, based on Portelligent teardown data of over 270 cell phones, portable media players, handheld GPS, and digital still cameras and camcorders, indicates that the percent of handheld devices with multi-chip packages (MCP's) has doubled from 45% in 2002 to 90% by the end of 2005. However, among those devices that have adopted multi-chip packages, the quantity of MCP's per device, on average, has remained nearly constant.

Austin, USA and Düsseldorf, Germany — October 1, 2006 – The cell phone continues to be one of the primary drivers for the electronics industry, constantly delivering new features such as mega pixel cameras, video recorders, and MP3 playback capability, while at the same time reducing size, power consumption, and cost. Among the key advances in semiconductor and packaging technologies that have made this progress possible is the multi-chip package, or MCP, in which two or more ICs are integrated in the same package.

The Portelligent study of die and package integration trends, led by Jeff Brown, Principal Analyst, has found that cell phones were the first major category of portable electronic products to reach the 90% MCP milestone, in 2004, while the remainder of the handheld device market nearly reached that threshold in 2005.

PRESS RELEASE

PRESS RELEASE

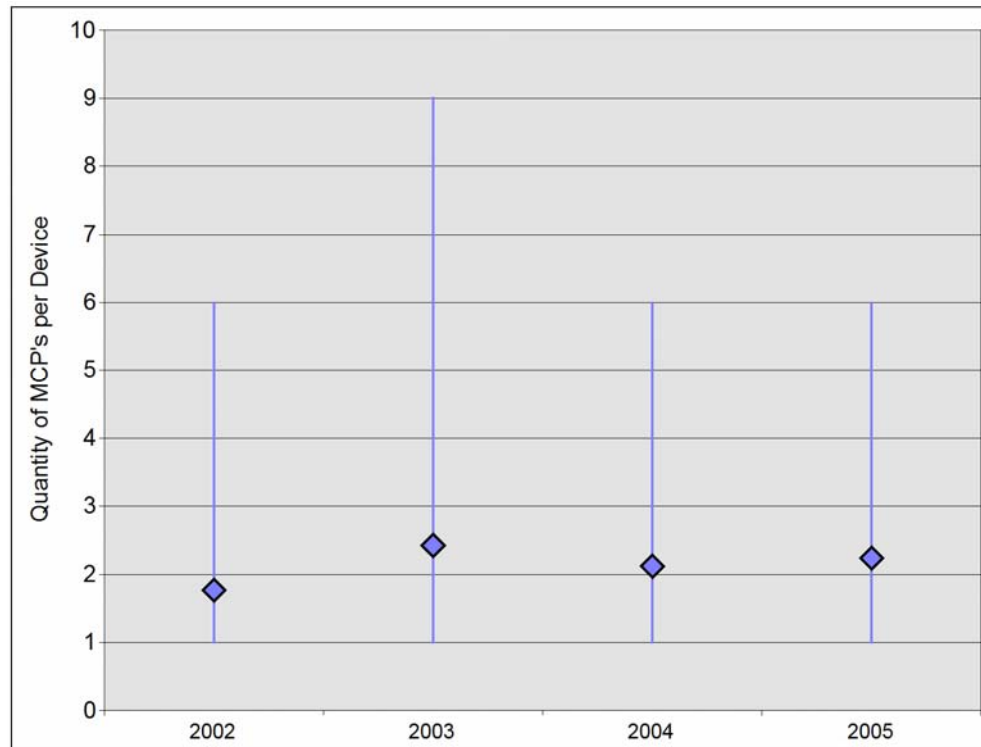


% of Devices with At Least One MCP by Device Type – Source: Portelligent, Inc., www.portelligent.com

The remaining 10% of devices not utilizing MCP's are ultra-low cost cell phones and hard disk drive-based handheld GPS devices and portable media players.

In contrast to the rapid increase in the proportion of product designs that exploit MCPs, however, the quantity of MCP's per device, on average, has remained steady between 2 and 2.5. "The maximum number of MCP's we are seeing in handheld devices has actually declined from 2003 contributing to the relatively constant average" noted Brown. "When W-CDMA handsets from Japanese OEM's were first introduced into Europe in 2003, it was not uncommon to find between 7 and 9 MCP's in a phone. By the end of 2005, similar handsets had between 3 and 4 MCP's".

"This finding regarding the number of MCPs in the average consumer electronic product is somewhat contrarian, but on reflection it makes sense," commented David Carey, Portelligent president and CTO. "The system designers are adding features to their products every year, but the semiconductor industry is enabling greater functionality through die integration as well as package integration."



Quantity of MCP's per Device (markers indicate average) – Source: Portelligent, Inc., www.portelligent.com

For more information about the Portelligent die and package integration study, contact Jeff Brown at Portelligent (jbrown@teardown.com; Tel 1-512-338-3600).

###

Portelligent, Inc., located in Austin, Texas, USA, offers reports and analyses that are generated through a rigorous “product-teardown” methodology to the electronics, wireless, semiconductor, and financial sectors. Portelligent is a spin-out of the MCC research consortium, where underlying analytical methods and cost models were developed.

For additional information about Portelligent’s product teardown analyses and other analytical offerings, in the U.S. contact Don Stroud (dstroud@teardown.com; Tel. 1-512-338-3600). In Europe contact Niels Kellerhoff (niels@teardown.com; Tel. +49-(0)211-467-998).



Portelligent European Office

Niels Kellerhoff • E-mail: niels@portelligent.com

Tel: +49 (211) 514 1265 • Fax: +49 (211) 467 999

Golzheimer Str. 110 • 40476 Duesseldorf • Germany

For additional information about Portelligent, visit the Portelligent Web site at www.portelligent.com or contact the company directly at Tel. 512-338-3600 (E-mail: info@portelligent.com).

PRESS RELEASE