



AKUSTICA EXPANDS CMOS MEMS SUPPLY CHAIN

Adds Epson and Lingsen as qualified manufacturers

Pittsburgh, PA—December 8, 2008--Akustica, Inc, maker of the world's smallest and only single-chip MEMS microphones, announced today that it has qualified Seiko Epson Corporation ("Epson") and Lingsen Precision Industries, LTD ("LPI") as foundry and assembly partners, respectively. With the addition of Epson and LPI to its extensive list of qualified foundry and assembly partners in North America, Europe, and Asia, Akustica continues to drive rapid scaling of production capacity to meet customer demand.

Based on its unique and patented CMOS (Complementary Metal Oxide Semiconductor) MEMS (microelectromechanical systems) technology, the transducer portion of the single-chip microphone is fabricated alongside the circuitry in the standard metal dielectric layers that are deposited during a baseline CMOS process. The result is a silicon wafer full of complete monolithic microphones that have been fabricated using only the typical CMOS processes and equipment found at global semiconductor foundries.

In addition to being fabricated in standard CMOS foundries, Akustica's CMOS MEMS microphones are also diced and packaged by experienced semiconductor assemblers around the world using industry-standard tools for pick-and-place, wire bond, and lid attach. Conversely, other MEMS microphone technologies require custom and captive manufacturing facilities for both the MEMS transducer fabrication and the backend assembly, resulting in long lead times and large capital expenditures when additional capacity is needed to meet customer needs.

"We selected Epson and LPI because they are veterans in the industry and are manufacturing and assembling a diverse set of high-volume semiconductor products," said Scott Naugle, vice president of manufacturing for Akustica. "We are ramping production to support the rapid adoption of silicon microphones in mobile phones, laptops, and other consumer electronic devices. Experienced, reliable semiconductor foundry and assembly partners such as Epson and LPI are keys to our success in that mission."

According to Jean-Christophe Eloy, managing director and founder of Yole Développement, the silicon microphone market will be more than 500M units in 2008 and will continue to grow at a 30% CAGR through at least 2012. "It is essential for MEMS microphone manufacturers to be able to ramp to significantly high volumes in order to meet the needs of the mobile phone market," said Eloy. "CMOS MEMS technology puts Akustica in the unique position to be able to quickly and cost effectively ramp microphone production with standard CMOS foundry and assembly partners around the world to fulfill this demand."

About Epson

Epson is a global leader in imaging products including printers, 3LCD projectors and small- and medium-sized LCDs. With an innovative and creative culture, Epson is dedicated to exceeding the vision and expectations of customers worldwide with products known for their superior quality, functionality, compactness and energy efficiency. Epson is a network of 93,279 employees in 107 companies around the world, and is proud of its ongoing contributions to the global environment and to the communities in which it is located. Led by the Japan-based Seiko Epson Corp., the Group had consolidated sales of 1,347 billion yen in fiscal 2007. More information is available at <http://www.epson.co.jp/e/>.

About LPI

Lingsen Precision Industries, Ltd. (LPI) was founded in 1970 to be the captive assembler for a joint venture between Mitsubishi Electric Corp and Dahsen Electronic Industries, Ltd., in Tapiei, Taiwan. In 1973, Lingsen Precision Industries, Ltd. was reorganized as a wholly owned and independent subcontract assembly company. Through the years, LPI has emerged as a leader of semiconductor subcontract assembly in Taiwan. LPI's engineering and production teams have earned a formidable reputation worldwide for providing high-quality product lines and reliability in its total processes. LPI's assembly capabilities are proven through the US, Europe, and Asia. More information is available at <http://www.lingsen.com>.

About Akustica

Akustica is the leading supplier of analog and digital output microphone products that are improving voice-input quality in a host of voice-enabled applications, from mobile phones to Internet telephony on notebooks and PC camera modules. More information about Akustica is available at <http://www.akustica.com> or by calling (412) 390-1730.

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