

Frost & Sullivan Recognizes Kionix's Dominance in the MEMS Accelerometers Market through Product Line Strategy

PALO ALTO, Calif. — August 26, 2008 — Based on its recent analysis of the world micro-electromechanical systems (MEMS) accelerometers market, Frost & Sullivan presents Kionix, Inc. with the 2008 Global *Frost & Sullivan* Award for Product Line Strategy. Kionix has a leadership position in analog output accelerometer products, and the award is being presented in recognition of its KXSC7 accelerometer release, a natural extension of its product line that addresses today's requirements for a smaller form factor.

"A small form-factor has become a critical competitive requirement as electronic devices, such as personal digital assistants (PDAs) and mobile phones, continue to shrink in size," explains *Frost & Sullivan* Industry Analyst V. Sankaranarayanan. "By saving board space, small-form-factor MEMS accelerometers free up valuable room for integrating more functions, and this acts as a new driver for MEMS accelerometers."

The KXSC7 from Kionix measures a minute 3x3x0.9mm and features a low operating current consumption of 230 uA, or less. By introducing the new KXSC7 accelerometer, Kionix has responded definitively to the market demand for smaller-form-factor, lower-power-consuming MEMS accelerometers for the gaming, mobile handset, and other consumer electronics applications.

Gregory J. Galvin, Kionix President and CEO, is pleased to receive Kionix's second *Frost & Sullivan* award within two years. "The KXSC7's tiny 3x3x0.9mm footprint and excellent performance are unquestionably impressive, and we are grateful to have been recognized by Frost & Sullivan for this innovation," said Galvin. "Not only has Kionix met the demand for small form factor, we are satisfying our customers' needs for enhanced functionality by packing these miniature accelerometers with total-solution features, such as drop-detection and screen rotation algorithms."

Kionix already has a family of 5x5mm, 3x5mm, analog output, digital output, and very-high-sensitivity, navigation-grade accelerometers as well as less-sensitive, consumer-grade products. These products have been widely accepted in game controllers, notebook computers, hard disk drives (HDD), and personal navigation devices. The KXSC7 now allows Kionix's customers entry into battery-operated applications that are sensitive to power consumption. It will allow end-users access to smaller devices, such as cell phones, that require the 3x3mm form factor instead of a 5x5mm form factor.

"The KXCS7 is not only an enhancement in its packaging, but represents an improvement in wafer fabrication as well," continues V. Sankaranarayanan. "Kionix's proprietary deep reactive ion etching technology, which distinguishes itself in its ability to create higher aspect ratios not attainable by others in the industry, enables the Company to create structures that others cannot."

The KXSC7 is an innovation of this unique sensor technology in parallel with its low-power application-specific integrated circuit (ASIC) design technology, which is an overall improvement in the Company's prior device fabrication. Additionally, although ASIC technologies for the industry are similar, Kionix's in-depth understanding of how sensor elements work to enable certain applications allows the Company to support its customers with the implementation of the device to achieve superior results. Devices are all individually tested and programmed to achieve the customer-specific requirements of offset voltage and performance.

Frost & Sullivan's research indicates that there currently exists a huge worldwide interest in MEMS accelerometers for gaming, mobile electronic devices, and numerous other applications. Kionix's timely introduction of the KXSC7 accelerometer, designed to address the requirements of the aforementioned markets, is expected to increase the Company's revenue growth. Hence, Kionix is the deserving recipient of the 2008 *Frost & Sullivan* Product Line Strategy Award in the world MEMS accelerometers market.

Each year, *Frost & Sullivan* presents this award to the company that has demonstrated the most insight into customer needs and product demands. The recipient company should have optimized its product line by leveraging products with the various price, performance, and feature points required by the market.

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

About Kionix, Inc.

Kionix, Inc., founded in 1993, is a privately-held company located in Ithaca, New York, USA. The Company pioneered high-aspect ratio silicon micromachining based on research originally conducted at Cornell University, and today enjoys a global reputation for MEMS product design, process engineering, and quality manufacturing. Consumer electronics leaders worldwide utilize Kionix's technology for motion-based gaming, user-interface functionality in mobile handsets, personal navigation/GPS-assist, hard disk drop protection in mobile products, and sports diagnostics. Kionix's MEMS products are further diversified into the automotive, industrial, and health care sectors. The Company offers one of the industry's broadest families of MEMS inertial sensors including single-, dual-, and tri-axis accelerometers, gyroscopes, and unique combination sensors.

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