



ZF Micro Devices Contacts:

ZF Micro Devices, Inc.
Palo Alto, California, USA
Renee Bula
(650) 965-3800
rbula@zfmicro.com

ZF Micro Editorial Contact USA:

Shotwell Public Relations
Debbie Swanson
408-855-8608 x103
debbie@shotwellpr.com

Agreement Between ZF Micro Devices and STMicroelectronics Expands FailSafe™ Cost-Effective Single Chip PCs For OEM Products

***Agreement Leads the Industry by Producing FailSafe Crash-Immune Devices that
Incorporate Functions of PC Motherboard to Lower Total Bill of Materials Cost***

Palo Alto, CA -December 10, 2001 – ZF Micro Devices, Inc., developer of the first crash-immune high performance, sub-1Watt, x86 compatible embedded microcontroller, announced today an agreement with STMicroelectronics, the world's third largest independent semiconductor company. The agreement will enable ZF Micro to incorporate their FailSafe technology into ST's PC-on-a-Chip STPC family and market them under the ZF Micro Devices brand name thus bringing OEM product designers the benefits of both companies' strengths.

"This agreement enables OEM's requiring high reliability x86 microcontrollers to benefit from STMicroelectronics leading edge design for manufacturing, world-class fabrication technology, and low-cost leadership," said David Feldman, founder and CEO of ZF Micro Devices. "By adding ZF Micro Devices embedded systems knowledge, an abundance of system intellectual property and embedded architecture expertise with the market focus of a responsive agile company, this agreement will create the most complete x86-based family of microcontroller value-added solutions for OEMs", stated Feldman.

“ ZF Micro Devices strengths in FailSafe technology and complete system solutions for customers including software is a great complement to the strengths of STMicroelectronics in designing and manufacturing high performance, high integration, low power and low cost System-on-Chip silicon,” said Colin Long, Product Marketing Director – SICL Business Unit of STMicroelectronics.

FailSafe ZFx86-Lite

The first processor available under the agreement is the FailSafe ZFx86-Lite. The ZFx86-Lite is in full production, contact factory for lead time. It is ideal for applications requiring high reliability with minimum or custom off-chip I/O such as: SOHO Internet gateways, routers, network servers, and thin clients.

ZFx86 Family

ZF Micro Devices will introduce additional members of the FailSafe ZFx86 family of microcontrollers in coming weeks. The ZFx86 family will be expanded to provide the most cost effective solutions of headless applications not requiring graphics display capability as well as those requiring integrated graphics support for TV or TFT liquid crystal displays.

Integrated Development Systems

The FailSafe ZFx86-Lite and the original FailSafe ZFx86 are in full production, contact factory for lead times. An Integrated Development System (IDS) supports all ZFx86 microcontrollers. These full function ATX size development platforms allow OEM designers to test all ZFx86 processors with their own proprietary hardware and software easily and quickly. IDS software includes a Linux distribution, an executable image of the ZFx86 port of Phoenix Rev 4.0 PC BIOS, Windows CE Platform Builder Evaluation, and various RTOS packages.

About ZF Micro Devices

ZF Micro Devices pioneered FailSafe systems in 1995 and has enabled its customers to bring innovative, crash-immune systems to market faster than their competitors by delivering ultra-low power PC systems at a chip size and price. Headquarters are located at 1052 Elwell Court, Palo Alto, CA 94303 USA; Tel: 650-965-3800; Fax: 650-965-4050; e-mail: info@zfmicro.com; web: www.zfmicro.com. In Europe, ZF Micro Devices can be reached at +33-(0) 1-41-80-04-10. In South America, call +54-11-4543-0049.