



MK Electron Co., Ltd.

Microbonds

FOR IMMEDIATE RELEASE

MK ELECTRON AND MICROBONDS ANNOUNCE LICENSE AGREEMENT FOR X-WIRE™ TECHNOLOGY

(SEOUL, Korea & TORONTO, Canada) **August 6, 2007** - **MK Electron Company, LTD**, a Korean-based company (*KOSDAQ: MKE, 033160*), specializing in the manufacturing and global distribution of core semiconductor materials (gold and copper bonding wire, solder balls, sputtering targets and evaporate materials) and **Microbonds Inc.**, an inventor and licensor of insulation for bonding wires and related processes, today announced that MKE has entered into long term license and supply agreements with Microbonds, enabling the application of Microbonds X-Wire™ technology to MKE's market leading gold bonding wires.

MKE's X-Wire family of products will be targeted at addressing many of the significant interconnect challenges in today's complex semiconductor packaging applications associated with the manufacture of a wide range of electronic products, particularly leading wireless and handheld devices.

"As a leader in the global market for bonding wire, MKE recognizes the industry's need for an interconnect solution that extends the current low cost infrastructure of equipment and process knowledge beyond the capabilities of bare bonding wires. Increasing interconnect densities driven by smaller more powerful applications highlight the need to allow interconnects to touch and cross without electrical shorting.", said **S.Y. Choi, President and CEO of MKE**.

"Our strategic alliance with Microbonds is a strong demonstration of our commitment to being a leader in offering our customers next-generation interconnect solutions to meet their requirements, and is a reflection of the progress and leadership of Microbonds in using X-Wire technology in advanced packaging", he added.

“Insulated bonding wire is one of the most important recent developments in wire bonding technology. With the strong growth in wire bonded stacked die packages and bonding over active areas, and other advances in interconnect technology, the industry has been waiting for many years for a proven insulated wire technology that can be used with the existing equipment infrastructure”, said Jan Vardaman, of ***TechSearch International, Inc., the industry’s leading semiconductor assembly and materials consultancy.*** “Continued increases in the price of gold make the ability to use smaller diameter insulated bonding wires an enabler in the goal of improved performance with continued cost reductions ”, Vardaman added.

“The establishment of this important relationship with MKE allows Microbonds to extend its global capabilities and continues the work we have undertaken to support X-Wire with proven supply chain partners”, said **John M. Scott, President and CEO of Microbonds.** “The integration of our technology with MKE’s leading bonding wires offers the industry another reliable source of insulated bond wire for use in an expanding array of existing and new chip and package designs, leading to yield improvements, package size reductions, performances enhancements and cost savings.”

The parties expect to launch the commercial availability of MKE X-Wire™ by the end of the third quarter of 2007.

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About MK Electron Co. Ltd.

MKE (KOSDAQ; MKE, 033160), headquartered in Yongin, Korea, has been developing and manufacturing core semiconductor materials such as Gold Bonding Wire, Cu Bonding Wire, Sputtering Target, Evaporate materials and Solder Ball, etc since 1982. MKE is now a global market leader, thanks to the unique manufacturing know-how and the patented technologies. For more information, see www.mke.co.kr

About Microbonds Inc.

Microbonds, Inc. is the leading developer and licensor of insulated wire bonding technologies for use in the design and assembly of microelectronic devices. The company’s X-Wire Technology enables the development of faster, smaller and cheaper microchips while improving manufacturing reliability. Founded in 1999 by IBM-trained engineers, the company’s approach is proven through testing with major IC companies. For more information, see www.microbonds.com

About TechSearch International Inc.

TechSearch International, Inc., founded in 1987, is market research firm specializing in technology trends microelectronics packaging and assembly. Multi- and single-client services encompass technology licensing, strategic planning, and market and technology analysis. Research topics include flip chip interconnects and wafer level packaging, CSPs, BGAs, high-density flex circuits, microvia substrates, and system-in-packages (SiP), and lead-free and environmentally friendly manufacturing. TechSearch International professionals have an extensive network of more than

14,000 contacts in North America, Asia, and Europe. For more information, contact TechSearch at Tel: 512-372-8887, fax: 512-372-8889, or <http://www.techsearchinc.com>.

About X-Wire Technology-

Microbonds' X-Wire™ Technology is an interconnect solution which consists of a proprietary insulation applied to bare bonding wires. Insulated bonding wires have been added to the 2006 ITRS Roadmap. (See <http://www.itrs.net/Links/2006Update/2006UpdateFinal.htm>). X-Wire™ Technology enables interconnect bonding wires to touch and cross without causing an electrical short. With X-Wire™, customers can solve yield losses due to wire sweep, increase I/O counts, design new package types, achieve new geometries through new bonding rules, as well as reduce costs through direct to ball bonding and thinner diameter wires

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