What is claimed is:

1. A method of manufacture of an integrated circuit packaging system comprising:

providing a lead frame;

forming routable circuitry on the top surface of the lead frame;

attaching an integrated circuit die over the lead frame;

processing the bottom surface of the lead frame for forming electrical terminals including:

providing a bottom pattern on the bottom surface of the lead frame for forming the electrical terminals,

removing a portion of the lead frame using the bottom pattern for forming the electrical terminals, and

removing the bottom pattern; and

placing circuitry protective material around the electrical terminals for forming recessed pad volumes in the circuitry protective material.

~~2. The method as claimed in claim 1 wherein processing the bottom surface of the lead frame includes:~~

~~providing a bottom pattern on the bottom surface of the lead frame for forming the electrical terminals,~~

~~removing a portion of the lead frame using the bottom pattern for forming the electrical terminals, and~~

~~removing the bottom pattern.~~

~~3.~~2. The method as claimed in claim 1 further comprising forming fusible material in the circuitry protective material in the recessed pad volumes and extending out from the circuitry protective material.

~~4.~~3. The method as claimed in claim 1 further comprising forming top pads over the electrical terminals and connected to the routable circuitry.

~~5.~~4. The method as claimed in claim 1 further comprising wire or fusible interconnects electrically connecting the die to the electrical terminals.

~~6.~~5. The method as claimed in claim 1 further comprising forming solder wettable material on the bottom surfaces of the electrical terminals.

~~7.~~6. The method as claimed in claim 1 further comprising forming electrical terminals under the die.

~~8.~~7. The method as claimed in claim 1 wherein processing the bottom surface of the lead frame includes processing for forming a die attach paddle.

~~9.~~8. The method as claimed in claim 1 further comprising forming extensions of the electrical terminals above the top surface of the circuitry protective material.

~~10.~~9. The method as claimed in claim 1 further comprising forming elevated pads on the top surfaces of the electrical terminals.

~~11.~~10. An integrated circuit packaging system comprising:

electrical terminals;

circuitry protective material around the electrical terminals and formed to have recessed pad volumes, the electrical terminals having extensions of the electrical terminals above a top surface of the circuitry protective material;

routable circuitry on the top surface of the circuitry protective material; and

an integrated circuit die electrically connected to the electrical terminals.

~~12.~~11. The system as claimed in claim 1~~1~~0 further comprising an encapsulation on the circuitry protective material.

~~13.~~12. The system as claimed in claim 1~~1~~0 further comprising fusible material in the circuitry protective material in the recessed pad volumes and extending out from the circuitry protective material.

~~14.~~13. The system as claimed in claim 1~~1~~0 further comprising top pads over the electrical terminals and connected to the routable circuitry.

~~15.~~14. The system as claimed in claim 1~~1~~0 further comprising wire or fusible interconnects electrically connecting the die to the electrical terminals.

~~16.~~15. The system as claimed in claim 1~~1~~0 further comprising solder wettable material on the bottom surfaces of the electrical terminals.

~~17.~~16. The system as claimed in claim 1~~1~~0 further comprising electrical terminals under the die.

~~18.~~17. The system as claimed in claim 1~~1~~0 further comprising a die attach paddle in the circuitry protective material.

~~19. The system as claimed in claim 11 further comprising extensions of the electrical terminals above the top surface of the circuitry protective material.~~

~~20.~~18. The system as claimed in claim 1~~1~~0 further comprising elevated pads on the top surfaces of the electrical terminals.