



Soitec announces consolidated sales of 209.1 million Euros for the full year 2009-2010

- Wafer sales sequential growth of 20.3% to 57.8 million Euros in Q4
- Full year sales down by 2.2% in Euros with flat exchange
- H2 anticipated current operating result will benefit from leverage impact on a like for like basis

Bernin, France, 19th April 2010 – Soitec (Euronext Paris), the world's leading supplier of silicon-on-insulator (SOI) and other engineered substrates for the microelectronics industry, today announced consolidated sales of 62.6 million Euros for the fourth quarter up by 19.7% on a sequential basis and 74.6% on a yearly basis. For the full year 2009-2010 sales totalled 209.1 million Euros having benefited from a strong rebound in demand in the fourth quarter.

Sales <i>Euros millions</i>	2009-2010	2008-2009	Change
1st quarter	43.8	60.2	-27.2%
2nd quarter	50.4	60.1	-16.1%
3rd quarter	52.3	57.7	-9.4%
4th quarter	62.6	35.9	74.6%
Total	209.1	213.9	-2.2%

Q4 activity confirms continuous rebound in semiconductor market demand

Reported fourth-quarter sales confirm rebound in semiconductor demand and the more positive overall economic environment including favourable exchange. Sequentially fourth-quarter wafer sales of 57.8 million Euros recorded a growth of 12.0% at constant exchange or 20.3% on a reported basis. 300mm wafers sales increased by 10.9% at constant exchange and 19.1% in Euros and other diameters by 16.6% at constant exchange and 25.2% on a reported basis. Picogiga reported Q4 sales of 2.7 million Euros representing sequential increase of 53.9% and Tracit sales were flat at 1.3 million Euros. Royalties were down by 33.5% at 0.8 million Euros. Concentrix sales have not been significant since the acquisition; the recently announced contract with Chevron is scheduled to become revenue in the second half of the next financial year.

For the full year, total wafer sales were 193.6 million Euros, down over the prior year by 3.2% or 3.6% at constant exchange. 300mm wafer sales (81.3% of all wafer sales) reduction was limited to 2.3% at constant exchange. All other diameter wafer sales were lower by 8.9% at constant exchange reflecting the latest rebound in the automotive market and recent contributions from RF markets. Picogiga and Tracit sales grew strongly by 24.4% and 20.1% respectively to 7.9 and 4.2 million Euros whereas royalties were down by 14.9% at 3.5 million Euros.

H2 anticipated current operating result will benefit from leverage impact on a like for like basis

Sequential growth in sales of 22.0% in the second half (with no material unfavourable impact from exchange) and cost cutting measures had a strong sequential positive impact on current operating result on a like for like basis resulting in a significant reduction in current operating loss. Including Concentrix, reported current operating loss for H2 is expected to be below reported H1 level. Management confirms that the financial structure of the company remains healthy with cash resources similar to the level at end September 2009 except for the Concentrix acquisition payment.

Business forecast for 2010-2011 drives strong sales growth and positive leverage impact

Business demand remains solid in the beginning of the new financial year with short term demand increasing progressively in coming quarters and accelerating in the second half. In a climate of a strong semiconductor industry rebound, the Company confirms that its initial sales expectation for the financial year 2010-2011, on a like for like basis, is in line with current markets outlook in high performance segments. Management believes that strong anticipated growth will significantly leverage the cost structure and targets to cross over the breakeven point in the course of the year, excluding Concentrix impact which will depend on shipments schedule. Marketing and business development continue to capture new growth opportunities as demonstrated in 2009-2010.

Agenda

The annual results for the financial year 2009-2010 will be published on 19th May 2010 after the closure of the Paris Bourse.

About Soitec:

The Soitec Group is the world's leading innovator and provider of the engineered substrate solutions that serve as the foundation for today's most advanced microelectronic products. The group leverages its proprietary Smart Cut™ technology to engineer new substrate solutions, such as silicon-on-insulator (SOI) wafers, which became the first high-volume application for this proprietary technology. Since then, SOI has emerged as the material platform of the future, enabling the production of higher performing, faster chips that consume less power.

Today, Soitec produces more than 80 percent of the world's SOI wafers. Headquartered in Bernin, France, with two high volume fabs on-site, Soitec has offices throughout the United States, Japan and Taiwan, and a new production site in the process of customers' qualification in Singapore.

Three other divisions, Picogiga International, Tracit Technologies and Concentrix Solar, complete the Soitec Group. Picogiga delivers advanced substrates solutions, including III-V epiwafers and gallium nitride (GaN) wafers, to the compound material world for the manufacture of high-frequency electronics and other optoelectronic devices. Tracit, on the other hand, provides thin-film layer transfer technologies used to manufacture advanced substrates for power ICs and Microsystems, as well as generic circuit transfer technology, Smart Stacking for applications such as image sensors and 3D-integration. In December 2009, Soitec acquired 80% of Concentrix Solar, the leading provider of concentrated photovoltaic (CPV) solar systems for the industrial production of energy. With this acquisition, Soitec is entering the fast-growing solar industry; capturing value through the system level.

Shares of the Soitec Group are listed on Euronext Paris.

For more information, visit www.soitec.com.

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