

SOITEC AND MBDA TO ACQUIRE DOLPHIN INTEGRATION ASSETS

> August 21, 2018



soitec

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Executive summary

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- 3 Soitec and MBDA – Complementary strategic support
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- Questions & Answers

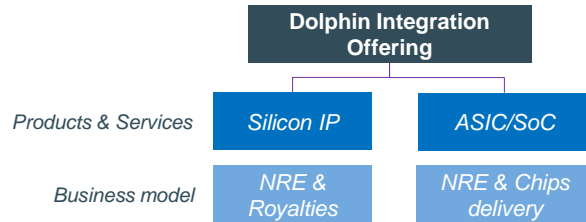
Dolphin Integration activities

Established supplier of semiconductor IP/design

Corporate Identity

- > Founded in 1985 – Headquartered in Grenoble (France)
- > Affiliates in Canada and Israel
- > Employees: 155 (including 130 design engineers)
- > Expertise in multiple semiconductor technologies (180nm to 22 nm)
- > ~17 M€ revenues generated in FY18

Critical IP blocks for low power, custom and high-requirements semiconductor chips



Complete foundry and IP ecosystem



Key position in strategic end markets

Aerospace & Defense



Internet of Things (IoT)

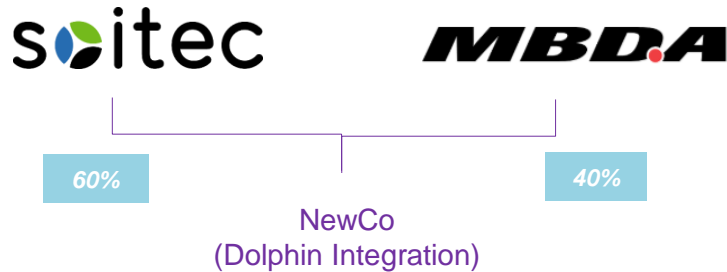


Other end markets : Automotive – Consumer – Medical



Soitec & MBDA establish a JV to acquire Dolphin Integration assets

Soitec and MBDA establish a joint venture to acquire Dolphin Integration assets



Soitec and MBDA together committed to a financial investment of around 6 million Euros including the acquisition of most of Dolphin Integration's assets, the payment of certain liabilities and a significant cash injection to finance Dolphin Integration's working capital requirements.

Company structure to remain unchanged in order to maximize chances of turnaround success

1. Dolphin Integration CEO & CFO unchanged
2. 100% of employees maintained in France, Canada and Israel
3. NewCo (joint venture) governance with a board of directors: 3 directors from Soitec, 2 directors from MBDA

Soitec + MBDA – Complementary strategic support



Engineered substrates expertise

1. Expertise in FD-SOI from material knowledge to specific design techniques (body biasing)
2. Leverage of Dolphin Integration capabilities in the design of low power devices
- from IP blocks to full System-on-Chip (SoC)
3. Unique offering of energy efficient solutions on FD-SOI for key markets requiring very low power consumption and high reliability such as IoT/ mobile and automotive/ defense

Industrial & commercial collaboration reinforcement

1. 10-year collaboration in developing custom ASIC & SoC for defense systems
2. Leveraging MBDA expertise in artificial intelligence and data protection
3. Broader access to the European defense ecosystem for Dolphin Integration

MBDA



Financial considerations for Soitec

Financial impact from this transaction

- › **Cash investment of ~5 M€**
 - › Acquisition costs, working capital financing, FD-SOI/body-bias design project (within 24 months)
- › **New activity to be fully consolidated as of September 2018**

Financial guidance re-iterated for FY'19


- › At constant perimeter, FY'19 sales guidance and Electronics EBITDA margin guidance unchanged at above +35% at constant exchange rates and around 27% respectively



Q&A

Thank you

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