



Soitec reports total consolidated sales of 33.1 million Euros for Q3 2013-2014

Bernin, France, 20th January 2014 – Soitec (Euronext Paris), a world leader in generating and manufacturing revolutionary semiconductor materials for energy and electronics, today announced total consolidated sales of 33.1 million Euros for the third quarter, down by 44.7% on a yearly basis.

Consolidated sales

Consolidated Sales	2013-2014	2012-2013	Change
<i>Euros millions</i>			
1st quarter	43.3	60.3	-28.3%
2 nd quarter	47.7	69.9	-31.7%
3 rd quarter	33.1	59.9	-44.7%
Total 9 months	124.1	190.1	-34.7%
Made up of:			
Electronic business segment	122.5	185.8	-34.1%
Solar Energy business segment	1.0	4.3	not significant
Lighting business segment	0.6	-	not significant

Electronic Business Segment

Electronic Sales <i>Euros millions</i>	2013-2014	2012-2013	Change
1st quarter	42.7	60.3	-29.0%
2 nd quarter	47.2	65.7	-28.2%
3 rd quarter	32.5	59.8	- 45.6%
Total 9 months	122.5	185.8	-34.1%

Third quarter

In the third quarter, the Electronic segment reported a 45.6% revenue decrease on a yearly basis with sales of 32.5 million Euros. Trends reported for H1 sales across the high performance market remain challenged as 300 mm wafer sales were impacted by the weakness of the PC market and inventories reduction. We also experienced inventory reductions and temporary slowdown in the mobility and smart phone markets but expect to return to strong sequential growth in the coming quarter.

Sales in our Digital business (i.e. total 300 mm wafer sales) were down by 74.6% at 8.1 million Euros for the third quarter on a year-on-year basis and by 48.8% on a sequential basis. Other electronic sales dedicated to RF and mobile applications (i.e. small diameter wafer sales excluding royalties and equipment) for the third quarter were down by 11.6% at 23.0 million Euros and by 18.0% on a sequential basis. Licensing and Equipment sales (i.e. Altatech) amounted to 0.6 million Euros and 0.7 million Euros in the third quarter, respectively.

9 months

Digital sales for the nine months have been divided by 2.4 at 42.0 million Euros on a year-on-year basis. Other electronic sales were slightly down by 6.5% at 75.0 million Euros.

Licensing and Equipment sales were 2.1 million Euros and 3.4 million Euros for the nine months, respectively.

Solar Energy and Lighting Business Segments

The Solar Energy division reported sales of 0.3 million Euros for the third quarter. Reported sales, however, do not reflect the production of solar systems during the quarter as the division has continued to ship finished products to its South African project. Once the change of control over the project comes into effect, the Company will be able to record related revenue.

Lighting revenues were 0.2 million Euros for the third quarter.

For the nine months, Solar and Lighting revenues totalled 1.6 million Euros.

Outlook

Fourth quarter of the 2013-2014 Electronic sales are expected to show a strong sequential growth. Strong sequential growth is expected to be driven by both market segments: digital segments as well as RF, mobility and smart phones segments. Electronic sales guidance for the full year remains unchanged with a 30 -35 % range decrease on a yearly basis.

The Electronic Division sees positive momentum in the adoption of Soitec's fully-depleted technology (FDSOI) solutions with further announcements by leading industry players anticipated over the course of the 2014 calendar year.

As already stated, strong sequential growth guidance for solar revenue remains linked to the green-light from the South African Department of Energy on change of control which will trigger revenue recognition. Some deliveries on several small projects in various countries are anticipated for a total of 5 MW.

From a cash flow perspective, the critical milestone related to the connection of 50% of the 44 MW solar plant capacity in South Africa is anticipated to be completed before the end of March.

Agenda

Q4 sales for the financial year 2013-2014 will be published on Tuesday 22 April 2014 after the closing of the Paris Stock Exchange.

About Soitec:

Soitec is an international manufacturing company, a world leader in generating and manufacturing revolutionary semiconductor materials at the frontier of the most exciting energy and electronic challenges. Soitec's products include substrates for microelectronics (most notably SOI : Silicon-on-Insulator) and concentrating photovoltaic systems (CPV). The company's core technologies are Smart Cut™, Smart Stacking™ and Concentrix™, as well as expertise in epitaxy. Applications include consumer and mobile electronics, microelectronics-driven IT, telecommunications, automotive electronics, lighting products and solar power plants for large-scale utilities. Soitec has manufacturing plants and R&D centers in France, Singapore, Germany, and the United States.

For more information, visit: www.soitec.com.

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