

SOITEC BEGINS RAMPING UP PRODUCTION OF 200-MM SOI WAFERS IN CHINA AT SOI MANUFACTURING PARTNER'S FAB FULLY QUALIFIED BY KEY SOITEC CUSTOMERS

Second Source of 200-mm SOI Wafers Enables Soitec to Expand Supply For the Growing Global Semiconductor Market

Bernin (Grenoble), France, March 9, 2017 — Soitec, a world leader in designing and manufacturing semiconductor materials for the electronics industry, has announced that the ramp up to high-volume production of 200-mm silicon-on-insulator (SOI) wafers — manufactured with Soitec's Smart Cut™ technology — has begun at the manufacturing facility of its Chinese partner Shanghai Simgui Technology Co., Ltd. (Simgui) fully qualified by key Soitec customers. This successful implementation of a partnership model represents a key milestone for Soitec in managing its worldwide manufacturing capacity to meet market demand for 200-mm SOI wafers used in fabricating semiconductors for the growing communications and power device markets.

"Establishing this second source in China allows us to ensure the needed capacity of 200-mm SOI wafers from two sites in different regions of the world, with each facility producing exactly the same products from a specifications and quality standpoint," said Dr. Bernard Aspar, executive senior vice president of Soitec's Communication & Power Business Unit. "Our partnership with Simgui is now running in an efficient way and our customers have been supportive and instrumental in this strategic move, which fully validates Soitec's technology-transfer expertise and manufacturing strategy."

"Simgui has been working on SOI materials for 16 years in China. Partnering with Soitec, Simgui is fully ready to support Soitec's ramp up of 200-mm SOI wafers manufactured with the Smart Cut technology at our facility in Shanghai and to help in developing the SOI ecosystem in China," said Dr. Jeffrey Wang, CEO of Simgui.

The first 200-mm SOI wafers produced at Simgui's manufacturing facility in Shanghai using Soitec's proprietary Smart Cut technology were qualified by the initial customers at the end of last year. Additional customers are currently in the process of qualifying the wafers. Producing the wafers in China has been a key objective of Soitec's and Simgui's licensing and technology-transfer agreement, signed in May 2014, and validates Smart Cut as a standard process. This wafer production line in China will boost the industrial manufacturing capacity of 200-mm SOI wafers to meet increasing worldwide usage and also will be a key element in establishing the SOI ecosystem in China.

Soitec's 200-mm RF-SOI and Power-SOI products are dedicated to the mobile and automotive markets respectively. As the leading SOI substrate innovator and manufacturer, Soitec has the largest worldwide capacity and produces both 200-mm and 300-mm wafers at multiple fabs in France.

Simgui will be exhibiting Soitec's Smart Cut-based 200-mm product line in booth W5 #5159 at SEMICON China in Shanghai, March 14-16.

About Soitec: Soitec (Euronext, Tech 40 Paris) is a world leader in designing and manufacturing innovative semiconductor materials. The company uses its unique technologies and semiconductor expertise to serve the electronics and energy markets. With 3,600 patents worldwide, Soitec's strategy is based on disruptive innovation to answer its customers' needs for high performance, energy efficiency and cost competitiveness. Soitec has manufacturing facilities, R&D centers and offices in Europe, the U.S. and Asia. For more information, please visit www.soitec.com and follow us on Twitter:

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