



FY15 consolidated sales at 222.9 million Euros
Strategic refocusing on core electronic business in progress
New financing in April 2015 (closing expected in May 2015)

Bernin, France, 20th April 2015 – Soitec (Euronext Paris), a world leader in generating and manufacturing revolutionary semiconductor materials for the electronics and energy industries, today announced total consolidated sales of 68.9 million Euros for the fourth quarter of FY14-15, down 44% year-on-year compared to 123.1 million Euros last year and up 43% sequentially compared to 48.0 million Euros in the third quarter of FY15.

Consolidated Sales (Euros millions)	2014-2015	2013-2014	Change
1st quarter	49.5	43.3	14.5%
2nd quarter	56.5	47.7	18.4%
3rd quarter	48.0	33.1	45.1%
4th quarter	68.9	123.1	-44.0%
TOTAL	222.9	247.1	-9.8%

- In line with management guidance, the Electronics division posted sales of 63.8 million Euros in Q415, up 42% year-on-year and up 44% sequentially (+30% at constant exchange rates). This strong sequential growth was supported by all segments: ongoing demand for 200mm wafers (RF and power applications for mobile and automotive segments) and an increase for 300mm PD-SOI wafers; the Group continues to support qualification of 300mm FD-SOI wafers at strategic foundry customers for consumer electronics, automotive and industrial applications.
 - Equipment sales generated 4.4 million Euros in Q415 and Royalties totaled 1.4 million Euros.

Electronic sales (Euros millions)	2014-2015	2013-2014	Change
1st quarter	25.5	42.8	-40.3%
2nd quarter	44.0	47.2	-6.7%
3rd quarter	44.3	32.5	36.1%
4th quarter	63.8	45.0	41.8%
TOTAL	177.7	167.5	6.1%

- The Solar division generated sales of 4.6 million Euros in Q415, with equipment revenues in Italy and the US.

Solar sales (Euros millions)	2014-2015	2013-2014	Change
1st quarter	23.9	0.3	ns
2nd quarter	11.3	0.4	ns
3rd quarter	3.4	0.3	ns
4th quarter	4.6	77.9	-94.1%
TOTAL	43.2	78.9	-45.3%

- The Lighting business posted sales of 0.4 million Euros in Q415.

Lighting sales (Euros millions)	2014-2015	2013-2014	Change
1st quarter	0.1	0.2	ns
2nd quarter	1.1	0.2	ns
3rd quarter	0.3	0.2	ns
4th quarter	0.4	0.2	ns
TOTAL	2.0	0.7	ns

For fiscal year 2014-15, the Group posted consolidated audited sales of 222.9 million Euros, down 10% compared to 247.1 million Euros in fiscal year 2013-14.

- The Electronics division posted sales of 177.7 million Euros in FY14-15, up 6% compared to 167.5 million Euros last year. At constant exchange rates, Electronics division sales growth was -2% in FY14-15, in line with the “flat growth” guidance given by the management. Sales performance was contrasted within the division:
 - 200mm wafer sales for Communication and Power applications were strong throughout the year. Sales for RF applications (antenna switches and tuners for 4G and LTE-advanced handsets) were by far the main sales contribution with capacity getting close to saturation. Soitec’s license and capacity deal with Simgui (see. Soitec press release dated Dec. 2, 2014) provides additional capacity which will become available in later part of the year. While contributing modestly to overall revenues, wafer sales growth for Photonics applications (servers for datacenters) was also strong as our key customer has now completed its R&D development and is moving into production.
 - As expected, wafer sales for Digital applications (PC, gaming) declined in FY15 due to end-of life product cycle with some historical customers for PD-SOI products. However, in order to support successful qualifications with strategic foundry customers, first sales have materialized in H215 for FD-SOI wafers (consumer electronics, automotive and industrial applications).
 - Equipment sales generated revenues of 6.3 million Euros (up 58% year-on-year).
 - Royalties generated revenues of 4.0 million Euros (up 7% year-on-year).

- The Solar division posted sales of 43.2 million Euros in FY14-15, down 45% compared to 78.9 million Euros in FY13-14.
 - During FY14-15, the Solar division generated revenues in South Africa (24.0 million Euros, equipment revenue recognition related to the Touwsrivier project), in the US (12.5 million Euros from Desert Green and Department of Defense projects), in China (3.5 million Euros) and in Europe (2.1 million Euros).
- The Lighting division posted sales of 2.0 million Euros in FY14-15 compared to 0.7 million Euros last year. This strong growth resulted from the ongoing roll-out of a multi-year contract at a key customer in France as well as a significant one-off licensing revenues from a US customer.

Current EBIT

Unaudited current EBIT loss is estimated at 52.4 million Euros in fiscal H215 compared to 74.4m Euros EBIT loss in fiscal H115. The sequential increase in current EBIT in H215 was mostly driven by the profitability improvement in the Electronics division.

Strategic refocusing on core electronic business in progress

As announced in its press release of January 19th, the Board of Directors unanimously decided to implement and support a strategic plan which aims to refocus Soitec's activities on its core electronics business.

Consequently, Soitec has initiated efforts to make significant cuts in the cash costs of its Solar business which are anticipated at 26.9 million Euros in H215 compared to 30.5 million Euros in H115 (-12% sequentially); Q415 business cash costs were estimated at 11.3 million Euros (down 28% sequentially). The Solar division headcount had been reduced to 272 people at the end of March 2015 (down from 385 at the end of December 2014).

In parallel, Soitec has hired an investment bank to dispose of its Solar business assets (industrial operations, power plants and intellectual property excluding Smart Cell related assets). Given its significant investment in the solar business since 2009, Soitec does not expect the disposal of the Solar business assets to cover its initial investment. The total consolidated non-current charge is likely to be close to 145 million Euros for fiscal year ended March 2015, mostly related to the depreciation of the solar assets.

New financing in April 2015

At the end of March 2015, unaudited cash resources reached 23 million Euros and net debt is anticipated at 167 million Euros.

Additionally, during the month of April 2015, Soitec successfully reached a binding agreement (under conditions precedent), with many of its stakeholders, including its banks, to secure loan financing up to 54 million Euros with a maturity of April 2016. Shin Etsu Handotai (major bulk wafers supplier to Soitec SA and historical shareholder) has committed to loan up to 30 million Euros. Bpifrance Participations, shareholder of Soitec has committed to loan up to 15 million Euros.

The CEA, Soitec's technology partner, has committed to loan up to 9 million Euros through its CEA Investissement subsidiary's "strategic fund", specialized in the financing of innovative companies developed by its European research centers. In addition, its microelectronics research center CEA-Leti, which has developed SOI and continues to support its technology roadmap, has

accepted postponement of payment under its license agreements and for its work realized for Soitec in 2014, for a total of 8 million Euros. Total CEA support amounts to 17 million Euros.

Current banks credit lines for a total of 37.2 million Euros have been restructured with a single bullet reimbursement to be repaid in November 2019.

Closing of this agreement and drawdown of these loans are expected by the end of May 2015.

The Group is confident that current cash resources and the new financing package should enable the group to run successfully its restructuring plan and Electronic activities for the current fiscal year. Additionally, anticipated proceeds from solar business assets disposal and Touwsrivier transaction should reinforce its cash position.

Sales guidance for fiscal Q116 Sales

For fiscal Q116, Soitec expects wafer sales for the Electronic division of around 60 million USD.

Agenda

Audited results for the financial year 2014-2015 will be published on May 28 before the opening of the Paris Stock Exchange.

About Soitec:

Soitec (Euronext, Paris) is a world leader in designing and manufacturing high performance semiconductor materials. The company uses its unique technologies and semiconductors 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, US and Asia. For more information, please visit www.soitec.com.

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