



SOITEC AND SIMGUI EXTEND STRATEGIC PARTNERSHIP WITH A DISTRIBUTION AGREEMENT FOR SOI IN CHINA

Both companies strengthen SOI ecosystem addressing China's fast-growing demand for 200-mm SOI wafers in RF and power semiconductor markets

Bernin (Grenoble), France and Shanghai, China, December 2nd, 2014 — Soitec (Euronext), a world leader in generating and manufacturing revolutionary semiconductor materials for the electronics and energy industries, and Shanghai Simgui Technology Co., Ltd. (Simgui), a Chinese silicon-based semiconductor materials company, have signed a distribution agreement to exclusively sell Soitec's 200-mm silicon-on-insulator (SOI) wafers in China. Available in different product families, the wafers are utilized in fabricating semiconductors such as radio-frequency (RF) integrated circuits (ICs) broadly used in smartphones and power ICs for automotive applications. Following a previous licensing and manufacturing partnership between the two companies, this latest agreement represents another key step in establishing a Chinese SOI ecosystem while also strengthening Soitec's presence in this double-digit-growth semiconductor market.

This distribution agreement expands the initial strategic collaboration between the two companies. The partnership already includes a [license and technology transfer](#) deal under which Simgui can manufacture Soitec's 200-mm SOI wafers using its proprietary Smart Cut™ technology. With this new agreement, Simgui now has the exclusive right to promote, distribute and sell Soitec's 200-mm SOI wafers in China.

According to IBS, a market and strategy consulting company, China is the largest semiconductor market and has the highest growth potential for LTE smartphones*. Today, most 4G/LTE smartphones rely on RF-SOI wafers, especially the widely adopted Soitec eSi™ substrate, for their RF circuits. Another of Soitec's 200-mm SOI products, Smart Power™ SOI, is used worldwide in manufacturing power ICs for automotive electronics, lighting and power supplies. Other 200-mm products from Soitec include partially depleted SOI (PD-SOI), mainly used in digital processors for computers, game consoles and servers, as well as Photonics SOI, used for optical transceivers in data communications.

“As part of our growth strategy in China, this distribution agreement reinforces our strategic collaboration with Simgui and amplifies Soitec's global leadership position in the SOI ecosystem,” said Dr. Thomas Piliszczuk, senior vice president of global sales and marketing at Soitec. *“China is going to play a major role in the global mobile electronics business segment. Through this distribution agreement with Simgui, Soitec is well positioned in the heart of the Chinese ecosystem, enabling us to further accelerate the growth of our SOI products in the world's largest semiconductor market.”*

*Source: http://www.soiconsortium.org/fully-depleted-soi/presentations/september-2014-fd-soi-forum/I9-FDSOIFORUM9.2214_Handel%20Jones.pdf and : http://www.soiconsortium.org/fully-depleted-soi/presentations/september-2014-rf-soi-workshop/I9-RFSOI9.2314_Handel%20Jones.pdf

“As one of the biggest local engineered-substrate providers in China, we are very excited by the distribution agreement with Soitec. The combination of Soitec’s leading-edge SOI substrates with Simgui’s local market knowledge and robust SOI distribution network will enable us to better serve Chinese semiconductor manufacturers. I do believe that this cooperation will be very successful and will help drive the adoption of Soitec’s SOI products in China,” said Dr. Feng Zhang, general manager of Simgui.

About Shanghai Simgui Technology Co., Ltd. (Simgui)

Simgui is a high-technology company in Shanghai focused on supplying SOI wafers and providing foundry services for epitaxial (epi) wafers used in key sectors of the semiconductor industry. It was spun off from the Shanghai Institute of Microsystem and Information Technology (SIMIT) within the Chinese Academy of Sciences (CAS) and now is a joint venture with a group of investors from Silicon Valley. Under the leadership of Simgui’s management team, which includes six senior executives with Ph.D. degrees, both the SOI and epi businesses are growing dramatically. For more information, visit: <http://www.simgui.com.cn/en/>.

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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 concentrator 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 large-scale solar power plants. 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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