



SOITEC AND SIMGUI ANNOUNCE MAJOR PARTNERSHIP TO PRODUCE 200-MM SOI WAFERS IN CHINA FOR RF AND POWER SEMICONDUCTOR MARKETS

Agreement Includes Technology Licensing and Manufacturing Capacity Collaborations To Support Global Markets; First Step in Establishing SOI Ecosystem in China

Berlin (Grenoble), France and Shanghai, China, May 26, 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 formed an international partnership to address both China's growing demand and limited worldwide production capacity for 200-mm silicon-on-insulator (SOI) wafers used in fabricating semiconductors for radio-frequency (RF) and power applications. In addition to giving Soitec its first wafer production capability in China, the agreement boosts the industrial manufacturing capacity of SOI wafers to meet increasing worldwide usage and represents the first step in establishing a SOI ecosystem in China.

The newly signed deal includes a licensing and technology transfer agreement under which Simgui will manufacture Soitec's 200-mm SOI wafers using Soitec's proprietary Smart Cut™ technology. Simgui will establish a high-volume SOI manufacturing line to directly supply the Chinese market. In addition, Simgui will manufacture Soitec's 200 mm SOI wafers for the global market outside China, expanding Soitec's supply to customers worldwide. Beyond this initial cooperation, the two companies plan to expand their collaborative efforts in the future to take advantage of their synergies.

"We are very pleased to announce this partnership with Simgui which amplifies the ecosystem using Soitec's technology and reinforces our competitive offer," said Paul Boudre, COO of Soitec. *"While paving the way for future cooperation between our two companies, it also reinforces Soitec's global leadership position in SOI and immediately bolsters our presence in the Chinese market."*

Commenting on the announcement, Dr. Bernard Aspar, general manager of Soitec's Communication and Power Business Unit, said, *"In addition to Soitec's SOI product volume for the RF market doubling in the last two years, the products themselves are becoming the preferred solutions for RF switches embedded in smart phones and tablets. This collaboration with Simgui will allow us to respond to the fast-growing demand we are seeing from our customers."*

"Considering that China takes over a 60% market share of the worldwide semiconductor market, to have a strategic collaboration with Soitec is very important to us," said Dr. Xi Wang, Chairman of Shanghai Simgui Technology Co., Ltd. *"This will enable us to grow our current SOI market share and address new opportunities as we help to develop China's SOI ecosystem."*

"The access to Soitec technology is an accelerator for Simgui to become a key player in thin SOI manufacturing," said Dr. Feng Zhang, General Manager of Simgui. *"On the other hand, this partnership will complete Simgui's capabilities such as Simbond, which will further strengthen both parties' SOI competitiveness."*

This strategic partnership enables both Soitec and Simgui to strengthen their positions in the high-growth markets for RF and power semiconductors. While applications for power ICs include automotive electronics, lighting and power supplies, RF semiconductors are key drivers of 4G smart phones. China is the world's largest smart phone market. Soitec's RF-SOI products are already used in manufacturing by most of the leading RF foundries and have been adopted as the preferred substrates for 4G and LTE mobile computing and communication applications.

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/>

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.

International Media Contacts

(trade press)

Camille Dufour

+33 (0)6 79 49 51 43

camille.dufour@soitec.com

(business press)

Marylen Schmidt

+33 (0) 4 76 92 87 83

marylen.schmidt@soitec.com

Investor Relations

Olivier Brice

+33 (0)4 76 92 93 80

olivier.brice@soitec.com

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