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Cree and STMicroelectronics Expand and Extend Existing Silicon Carbide Wafer Supply Agreement

DURHAM, N.C. and GENEVA, November 19, 2019 — Cree, Inc. (Nasdaq: CREE) and STMicroelectronics (NYSE: STM), a global semiconductor leader serving customers across the spectrum of electronics applications, announced today the expansion and extension of an existing multi-year, long-term silicon carbide (SiC) wafer supply agreement to more than $500 million. The extended agreement is a doubling in value of the original agreement for the supply of Cree's advanced 150mm silicon carbide bare and epitaxial wafers to STMicroelectronics over the next several years. The increased wafer supply enables the semiconductor leaders to address the rapidly growing demand for silicon carbide power devices globally, particularly in automotive and industrial applications.

"*Expanding our long-term wafer supply agreement with Cree will increase the flexibility of our global silicon carbide substrate supply. It will further contribute to securing the required volume of substrate we need to manufacture our SiC-based products as we ramp up production over the next years for the increasing number of programs won at automotive and industrial customers,*" said Jean-Marc Chery, President and CEO of STMicroelectronics.

"*Silicon carbide delivers performance enhancements that are critical to electric vehicles and a host of next-generation industrial solutions for solar, energy storage and UPS systems*," said Gregg Lowe, CEO of Cree. "*Cree remains committed to leading the semiconductor industry's transition from silicon to silicon carbide, and the extension of the agreement with ST ensures we are able to meet the accelerating, global demand for this solution across a diverse range of applications while accelerating the market*."

The adoption of silicon carbide-based power solutions is rapidly growing across the automotive market as the industry seeks to accelerate its move from internal combustion engines to electric vehicles, enabling greater system efficiencies that result in electric cars with longer range and faster charging, while reducing cost, lowering weight and conserving space. In the industrial market, silicon carbide modules enable smaller, lighter and more cost-effective inverters, converting energy more efficiently to unlock new clean energy applications.

About Cree, Inc.

Cree is an innovator of Wolfspeed® power and radio frequency (RF) semiconductors and lighting class LEDs. Cree's Wolfspeed product portfolio includes silicon carbide materials, power-switching devices and RF devices targeted for applications such as electric vehicles, fast charging, inverters, power supplies, telecom and military and aerospace. Cree's LED product portfolio includes blue and green LED chips, high-brightness LEDs and lighting-class power LEDs targeted for indoor and outdoor lighting, video displays, transportation and specialty lighting applications.

For additional product and Company information, please refer to www.cree.com.

About STMicroelectronics

ST is a global semiconductor leader delivering intelligent and energy-efficient products and solutions that power the electronics at the heart of everyday life. ST's products are found everywhere today, and together with our customers, we are enabling smarter driving and smarter factories, cities and homes, along with the next generation of mobile and Internet of Things devices. By getting more from technology to get more from life, ST stands for life.augmented.

In 2018, the Company's net revenues were $9.66 billion, serving more than 100,000 customers worldwide. Further information can be found at www.st.com.

Forward Looking Statements:

This press release contains forward-looking statements involving risks and uncertainties, both known and unknown, that may cause actual results to differ materially from those indicated. Actual results may differ materially due to a number of factors, including the risk that we may be unable to manufacture these new products with sufficiently low cost to offer them at competitive prices or with acceptable margins; the risk we may encounter delays or other difficulties in ramping up production of our capacity to supply these products; customer acceptance of our products; the rapid development of new technology and competing products that may impair demand or render Cree's products obsolete; and other factors discussed in Cree's filings with the Securities and Exchange Commission, including its report on Form 10-K for the year ended June 30, 2019, and subsequent filings.

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