

SOITEC ANNOUNCES JOINT DEVELOPMENT PROGRAM WITH APPLIED MATERIALS ON NEXT-GENERATION SILICON CARBIDE SUBSTRATES

Program aims to provide technology and products to improve the performance and availability of silicon carbide to address surging demand from electric vehicles, telecommunication and industrial applications.

Bernin, France, November 18th, 2019 — Soitec (Euronext Paris), an industry leader in designing and manufacturing innovative semiconductor materials, announced a joint development program with Applied Materials on next-generation silicon carbide substrates. Demand for silicon carbide-based chips has been rising, particularly in electric vehicles, telecommunication and industrial applications; however, adoption has been limited due to challenges related to supply, yield and cost of silicon carbide substrates. Soitec will be working with Applied Materials to develop substrates that can overcome these challenges and bring increased value to the industry.

The development program will combine Soitec's leadership in engineered substrates with that of Applied Materials, the leader in materials engineering solutions. Whilst Soitec will leverage its proprietary Smart Cut[™] technology - currently in use for the manufacture of Silicon-On-Insulator (SOI) products largely adopted by chip makers, Applied Materials will bring process technology and equipment expertise.

Under the development program, the companies will install a silicon carbide engineered substrate pilot line at the Substrate Innovation Center located at CEA-Leti. The line is expected to be operational by the first half of 2020, with the goal of producing silicon carbide wafer samples using Soitec's Smart Cut[™] technology in the second half of 2020.

"We are excited about forming this industry-unique strategic development program with Applied Materials," said Thomas Piliszczuk, Executive Vice-President of Strategic Office at Soitec. "We are convinced that Soitec's Smart Cut[™] technology and 30 years of experience, together with Applied Materials' great leadership in materials engineering, can enable the development of a robust technology and boost the silicon carbide supply chain," added Piliszczuk.

"We look forward to working closely with Soitec to create materials engineering innovations for silicon carbide technology," said Steve Ghanayem, Senior Vice-President of New Markets and Alliances at Applied Materials. "With its broad portfolio and deep expertise, Applied Materials is best positioned to help the power electronics industry overcome the toughest technology challenges."

"Electric vehicles are a key focus for Audi. The future of mobility will be electric – based on technology innovations beginning at the semiconductor material and substrate level," said Berthold Hellenthal, head of Competence Center Electronics and Semiconductors and the Semiconductor Strategy at AUDI AG. "Silicon carbide can enable higher power density and better efficiency semiconductors in electric vehicles. We are pleased to see Soitec and Applied Materials working together to advance this technology."

About Soitec

Soitec (Euronext Paris) is an industry leader in designing and manufacturing innovative semiconductor materials. The company uses its unique technologies and semiconductor expertise to serve the electronics markets. With more than 3,500 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.

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