

PRESS RELEASE

X-FAB to Invest More than \$50M in MEMS Operations

Will continue its MEMS business under new brand X-FAB MEMS Foundry

Erfurt, Germany – Sept. 26, 2012 – <u>X-FAB Silicon Foundries</u> today announced it will invest more than \$50M during the next three years in cleanroom space, new equipment, R&D and staff for its MEMS operations. These investments reflect X-FAB's significant focus on MEMS to support the expected growth in MEMS services. The new brand X-FAB MEMS Foundry on X-FAB's campus in Erfurt focuses solely on advanced MEMS manufacturing and developments, and will consolidate all of X-FAB's MEMS business and activities.

X-FAB CEO <u>Rudi De Winter</u> said, "The MEMS sector is a strategic field of X-FAB's overall activities to serve the growing needs of our customers. Our customers will benefit from the dedicated resources and expertise of a foundry focused solely on advanced MEMS technology, and built on X-FAB's solid foundation of technical excellence. This move is X-FAB's next step towards our goal of becoming one of the top three worldwide suppliers of MEMS foundry services."

X-FAB's recent accomplishments in MEMS technology include:

- Industry's first open-platform MEMS 3-axis inertial sensor process available directly from a high-volume pure-play foundry
- Completion of a dedicated noble metal facility for MEMS
- 8-inch MEMS capability
- High-volume manufacturing of bulk and surface micromachined technologies, with and without CMOS integration
- In-house technology platforms for mainstream MEMS applications such as pressure sensors, inertial sensors and infrared sensors
- Ready-to-use IP design blocks for MEMS accelerometers

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About X-FAB

X-FAB is the leading analog/mixed-signal foundry group manufacturing silicon wafers for analog-digital integrated circuits (mixed-signal ICs). X-FAB maintains wafer production facilities in Erfurt and Dresden (Germany); Lubbock, Texas (U.S.); and Kuching, Sarawak (Malaysia); and employs approximately 2,400 people worldwide. Wafers are manufactured based on advanced modular CMOS and BiCMOS processes, as well as MEMS processes, with technologies ranging from 1.0 to 0.13 micrometers for applications primarily in the automotive, communications, consumer and industrial sectors. For more information, please visit <u>www.xfab.com.</u>

<u>Acronyms</u>

| CEO | Chief Executive Officer |
|------|---|
| CMOS | Complementary metal oxide semiconductor |
| MEMS | Microelectromechanical systems |
| R&D | Research and development |

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