

P R E S S R E L E A S E

X-FAB announces quarterly results

Erfurt, Germany, June 5, 2009. X-FAB Semiconductor Foundries, the world's leading foundry for the production of analog/digital integrated circuits, today announced sales of USD 41.0 million (EUR 31.4 million) for the first quarter of the current fiscal year. This corresponds to a year-on-year decline of approximately 65 percent and a decline of approximately 31 percent versus the previous quarter. In the first quarter of 2008, X-FAB reported its highest quarterly sales to date. During the course of 2008 the downturn in the semiconductor industry and the global economic crisis had a significant effect on bookings and sales. Since March 2009, booking figures have improved, indicating positive sales momentum.

Earnings before interest and taxes (EBIT) in the first quarter were USD -20.9 million (EUR -16.0 million). This compares to EBIT of USD 16.8 million in the first quarter of the previous year. Compared to the fourth quarter of 2008, EBIT decreased by approximately USD 12 million.

Despite the difficult environment, X-FAB is pushing ahead with its programs aimed at reducing costs and optimizing internally. However, the company also continues to invest in forward-looking projects to introduce new technologies and expand capacities. X-FAB is proceeding as planned with its conversion from 6- to 8-inch wafer production at its Dresden site. The initial stages of investment have been completed, so some 8-inch capacity is available already.

Hans-Jürgen Straub, CEO of the X-FAB Silicon Foundries Group, commented on business development: "In light of the improvement we've seen in our bookings during the second quarter, we are operating under the premise that the downturn bottomed out in the first quarter of 2009. We believe it is crucial both to optimize our internal processes and prepare for renewed market growth. Therefore, we are

proceeding as planned with key investments and R&D projects. This approach safeguards our delivery capabilities when demand recovers, as expected, and will enable us to derive the maximum benefit from resulting growth opportunities.“

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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), Plymouth (UK), Lubbock, Texas (US) and Kuching, Sarawak (Malaysia), and employs approximately 2,600 people worldwide. Wafers are manufactured based on ultra-modern modular CMOS and BiCMOS processes with technologies ranging from 1.0 to 0.18 micrometers, for applications primarily in the automotive, communications, consumer and industrial sectors. For more information, please visit www.xfab.com.

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