



## **PRESS RELEASE**

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### **X-FAB Silicon Foundries SE announces its intention to launch an Initial Public Offering and Listing on Euronext Paris**

**Tessenderlo, Belgium, March 7, 2017** – X-FAB Silicon Foundries SE (“X-FAB” or the “Company”), one of the world’s leading specialty foundry groups for analog/mixed-signal semiconductor technologies, today announces its intention to proceed with an initial public offering and listing of its ordinary shares on Euronext Paris (the “IPO”).

#### **Initial Public Offering**

The intended IPO will consist of the issuance of primary shares totaling approximately €250m and a secondary offer consisting of shares currently held by minority shareholders.

Xtrion, X-FAB’s main shareholder, which currently holds 61.4% of the existing shares, will not sell any shares in the IPO.

X-FAB intends to use the primary proceeds to finance expansion capex, focusing on capacity and capability enhancement while strengthening its capital structure in line with industry participants. This will also give X-FAB financial flexibility to take advantage of future additional growth opportunities.

The offering will include the sale of shares (i) through private placements to institutional investors in France and elsewhere outside the United States. In the United States, only qualified institutional buyers will be eligible, in accordance with an exemption from the registration requirements of the United States Securities Act of 1933, as amended. The offering will also make shares available via (ii) a public offering in France.

BNP PARIBAS and HSBC are acting as joint global coordinators and joint bookrunners for the IPO. Credit Suisse is also acting as joint bookrunner, while COMMERZBANK and ODDO & CIE are co-lead managers.

The IPO will be subject to the approval of the prospectus by the Belgian Financial Services and Market Authority (the “FSMA”) and to market conditions. The price range, as well as other details

of the offering, will be published when the offering period is expected to commence. After its approval, the prospectus will be passported to the French Financial Markets Authority (the "AMF"). The prospectus is expected to be made available in due course at the offices of X-FAB France SAS and on [www.xfab.com](http://www.xfab.com).

Rudi De Winter, CEO of X-FAB, said: "I am very excited about listing X-FAB. We are on a growth track and being a public company with increased financial capabilities will further solidify this growth as it gives higher visibility and more financial leeway to take advantage of additional opportunities in the future."

## **Company description**

X-FAB is one of the world's leading specialty foundry groups for analog/mixed-signal semiconductor technologies, providing manufacturing and design support services for customers that design analog/mixed signal Integrated Circuits ("ICs"). The Company manufactures customized analog/mixed-signal ICs for use in a variety of applications, with a focus on the automotive, industrial and medical end markets. Unlike some of the larger foundries in the IC market, X-FAB's focus on producing highly customized analog/mixed-signal ICs typically leads to smaller production volumes that require more engineering input per unit with significant value added for its customers. Moreover, the Company has extensive experience in the fast growing segment of Micro Electro Mechanical Systems ("MEMS"), having invested in it over the last 20 years, and is a pioneer in 150mm silicon carbide ("SiC") foundry services.

X-FAB is a global company operating six wafer manufacturing sites in Germany, France, Malaysia and the United States, with current aggregate production capacity of approximately 94,000 200-mm equivalent wafer starts per month.

The integration of a recently acquired manufacturing facility in France from Altis, operated by X-FAB since October 1, 2016, is expected to significantly contribute to X-FAB's continued growth.

X-FAB is a European company with limited liability organized under the laws of Belgium, registered with the legal entities register of Antwerp, division Hasselt under number 0882.390.885 and its registered office is located at Transportstraat 1, 3980 Tessenderlo, Belgium.

## **Key business highlights**

1. X-FAB has a unique positioning - a specialty foundry addressing the increasing demand for Analog/Mixed-signal electronic devices that connect the real and the digital world;
2. Its expertise and comprehensive set of technologies in analog/mixed-signal IC production, MEMS and SiC are strategically focused on high-growth automotive, medical and industrial end markets that enjoy long product lifecycles;
3. Over the past few years the Company has posted strong profitable growth:
  - Revenues CAGR of 18.7% between 2012-2016, up to \$513m;
  - Over the same period, EBITDA margin grew from 8.3% to 19.6%;
4. X-FAB is expected to enjoy increased profitability thanks to its increasing capacity utilization rate, moving from 47% in 2012 to 80% in Q4 2016;
5. X-FAB has a healthy capital structure with Net Debt/EBITDA of 0.6x for 2016;

6. X-FAB currently serves more than 330 customers globally, including highly recognized leaders in their field, and has built long-term relationships thanks to a strong design support and comprehensive offering of technologies;
7. The Company has a clear strategy going forward, focusing on:
  - Expanding its leading positions in analog/mixed-signal while maintaining focus on resilient and growing end markets (automotive, industrial and medical);
  - Continuously innovating its technologies and service portfolio;
  - Increasing its capacities and optimizing its utilization to further improve margins; and
  - Taking advantage of attractive acquisition opportunities, for which management has a strong track record

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