

Inside Information

X-FAB on track to resume production after cyber attack

Tessenderlo, July 13, 2020:

X-FAB Group, whose IT systems and production lines were stopped to prevent damage following the cyber attack on July 5, resumed production at one of its manufacturing sites. All other sites will follow within a week's time frame from now.

The majority of X-FAB's customers and business partners was notified of the event. X-FAB does not expect a major impact on its business. Most orders are foreseen to be executed within the third quarter, only some deliveries may have to be shifted to the fourth quarter after close alignment with the respective customers. In response to the production stop after the cyber attack, X-FAB had pulled forward the two-week fab shutdowns initially planned to take place later in the third quarter as part of its COVID-19 cost-saving initiative. After a detailed check, X-FAB does not anticipate damage to the work in progress caused by the sudden stop of its production lines.

Investigations meanwhile revealed that it was a ransomware attack. This type of attack is generally known for demanding a ransom for decryption of data as well as for misusing data.

The financial impact of the cyber attack is not expected to be material. There will be an additional investment to improve IT security. Together with external cyber security experts, X-FAB worked out a strategy to gradually and safely resume all systems while making the company's IT infrastructure more robust and secure going forward.

X-FAB's priority now is to resume production at all manufacturing sites. All other IT related systems will follow. Under these circumstances, the publication of the second quarter results initially planned for July 30 will be postponed to August 27, 2020.

###

About X-FAB

X-FAB is the leading analog/mixed-signal and MEMS foundry group manufacturing silicon wafers for automotive, industrial, consumer, medical and other applications. Its customers worldwide benefit from the highest quality standards, manufacturing excellence and innovative solutions by using X-FAB's modular CMOS processes in geometries ranging from 1.0 to 0.13 μm , and its special silicon carbide and MEMS long-lifetime processes. X-FAB's analog-digital integrated circuits (mixed-signal ICs), sensors and micro-electro-mechanical systems (MEMS) are manufactured at six production facilities in Germany, France, Malaysia and the U.S. X-FAB employs about 3,800 people worldwide. For more information, please visit www.xfab.com.

X-FAB Press Contact

Uta Steinbrecher
Investor Relations X-FAB Silicon Foundries
+49-361-427-6489

Due to the current unavailability of X-FAB's IT systems, this press release was distributed via Business Wire only and is available on the Company's website.

Forward-looking information

This press release may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management's current intentions, beliefs or expectations relating to, among other things, X-FAB's future results of operations, financial condition, liquidity, prospects, growth, strategies or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein.

Forward-looking statements contained in this press release regarding trends or current activities should not be taken as a report that such trends or activities will continue in the future. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless legally required. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this press release.

The information contained in this press release is subject to change without notice. No re-report or warranty, express or implied, is made as to the fairness, accuracy, reasonableness or completeness of the information contained herein and no reliance should be placed on it.