

Siltronic AG Preliminary Financial Figures 2019

January 29, 2020

Highlights 2019: Preliminary financial figures FY 2019*

Sales

– EUR 1,270m (2018: EUR 1,456.7m)

EBITDA

– EUR 409m (2018: EUR 589.3m)
– EBITDA margin: ~32% (2018: 40.5%)

EBIT

– EUR 298m (2018: EUR 497.7m)
– EBIT margin: ~24% (2018: 34.2%)

CapEx

– EUR 360m (2018: EUR 256.9m)

Net cash flow

– EUR 81m (2018: EUR 240.4m)

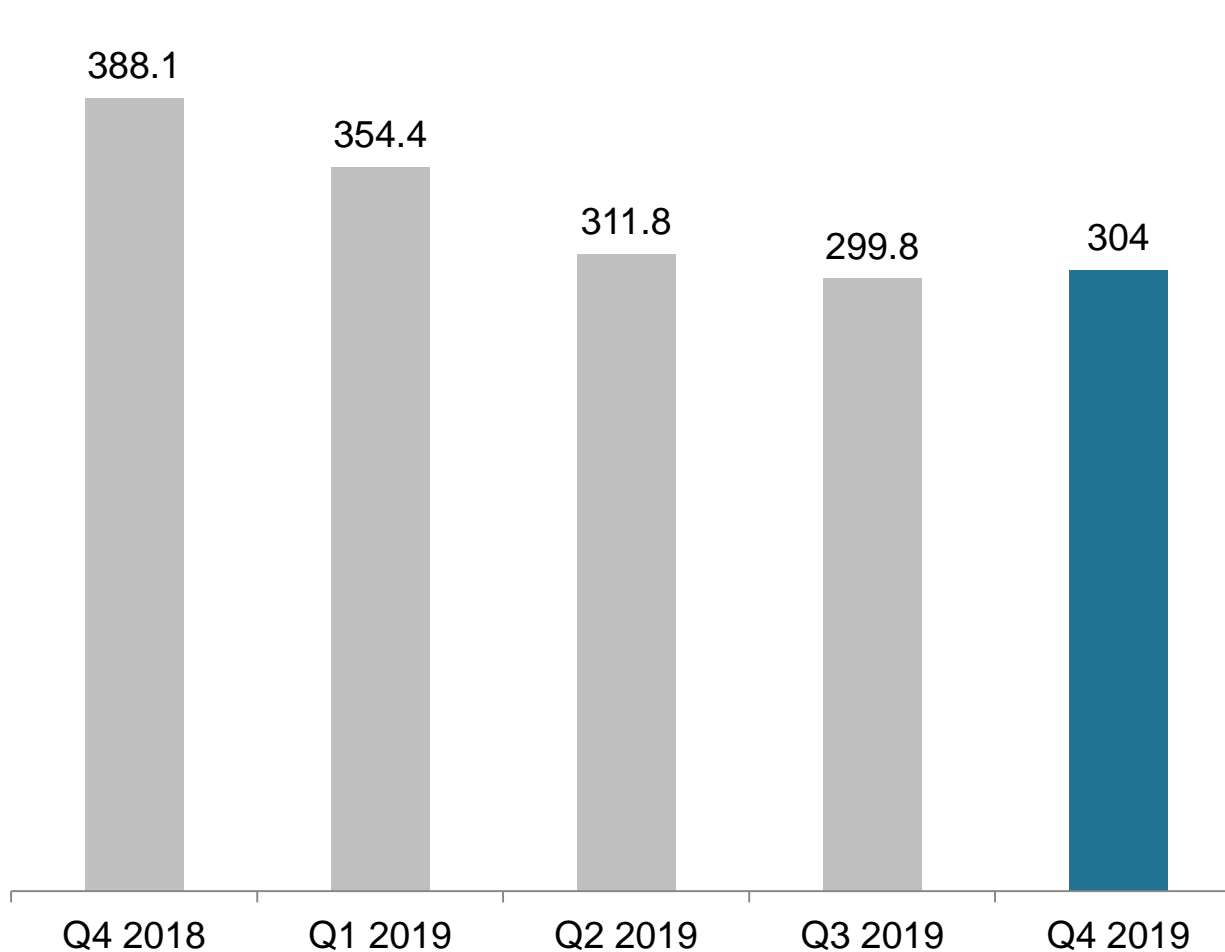
Net financial assets

– EUR 589m (December 31, 2018: EUR 691.3m)

The results in this document for Q4 2019 and Full Year 2019 are preliminary and have not yet been approved by the Supervisory Board or audited by an external auditor. All preliminary figures have been rounded to the nearest million.

Revenues 2019 decreased as expected due to muted end markets and high inventories at customers

Sales, in EUR million



Comments

▶ Positive

- ▶ ASP in EUR slightly up y-o-y
- ▶ Tailwind from USD y-o-y but only slightly sequential changes q-o-q
- ▶ Sales in Q4 slightly better than expected due to wafer supply to customers which could not be served during tightness

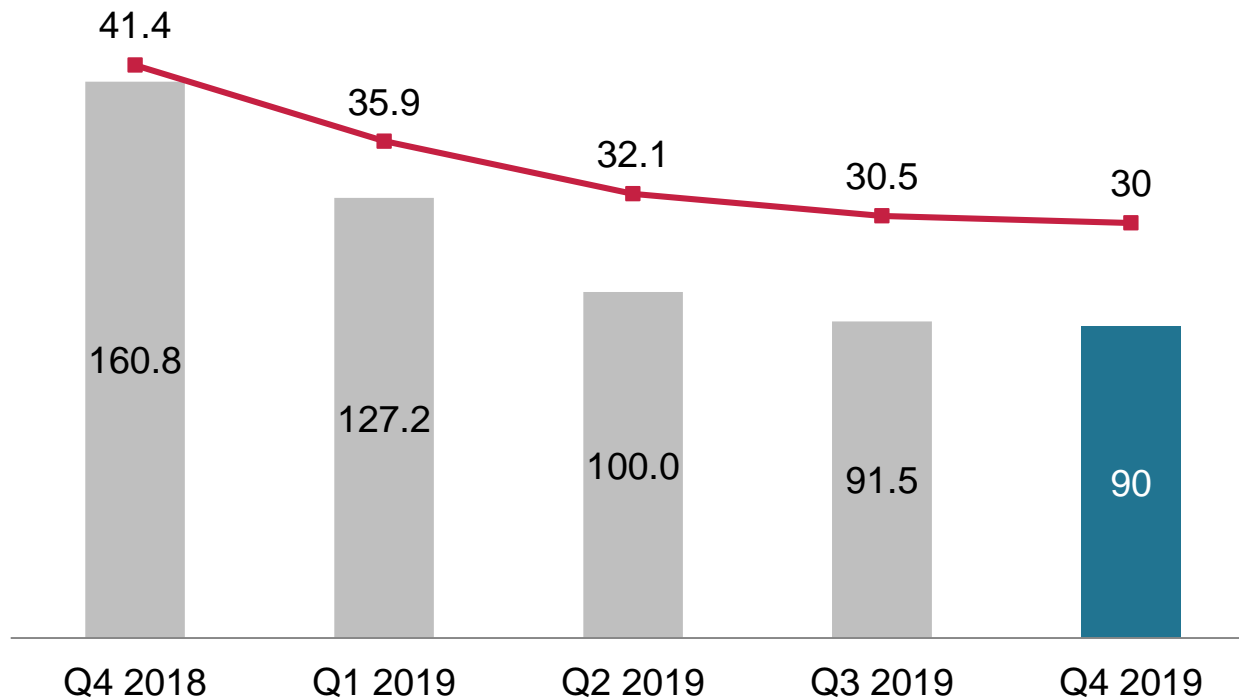
▶ Negative

- ▶ Sales down y-o-y as expected due to lower wafer area sold

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EBITDA y-o-y down due to lower loading and higher energy costs

EBITDA margin in %; EBITDA in EUR million



Comments

► Positive

- ASP in EUR slightly up y-o-y
- Tailwind from USD y-o-y but only slightly sequential changes q-o-q

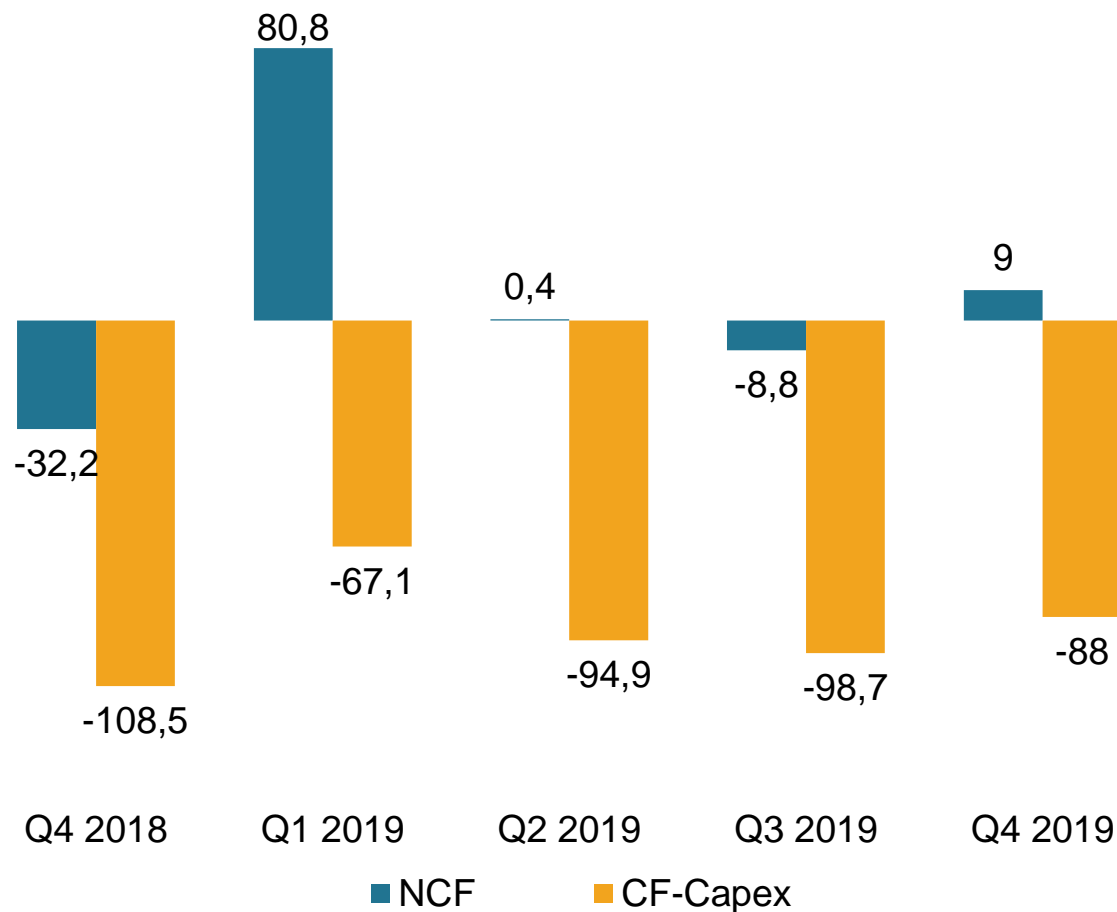
► Negative

- EBITDA down y-o-y by lower loading and higher energy costs

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Net cash flow down y-o-y due to higher investments

CF-Capex and NCF, in EUR million



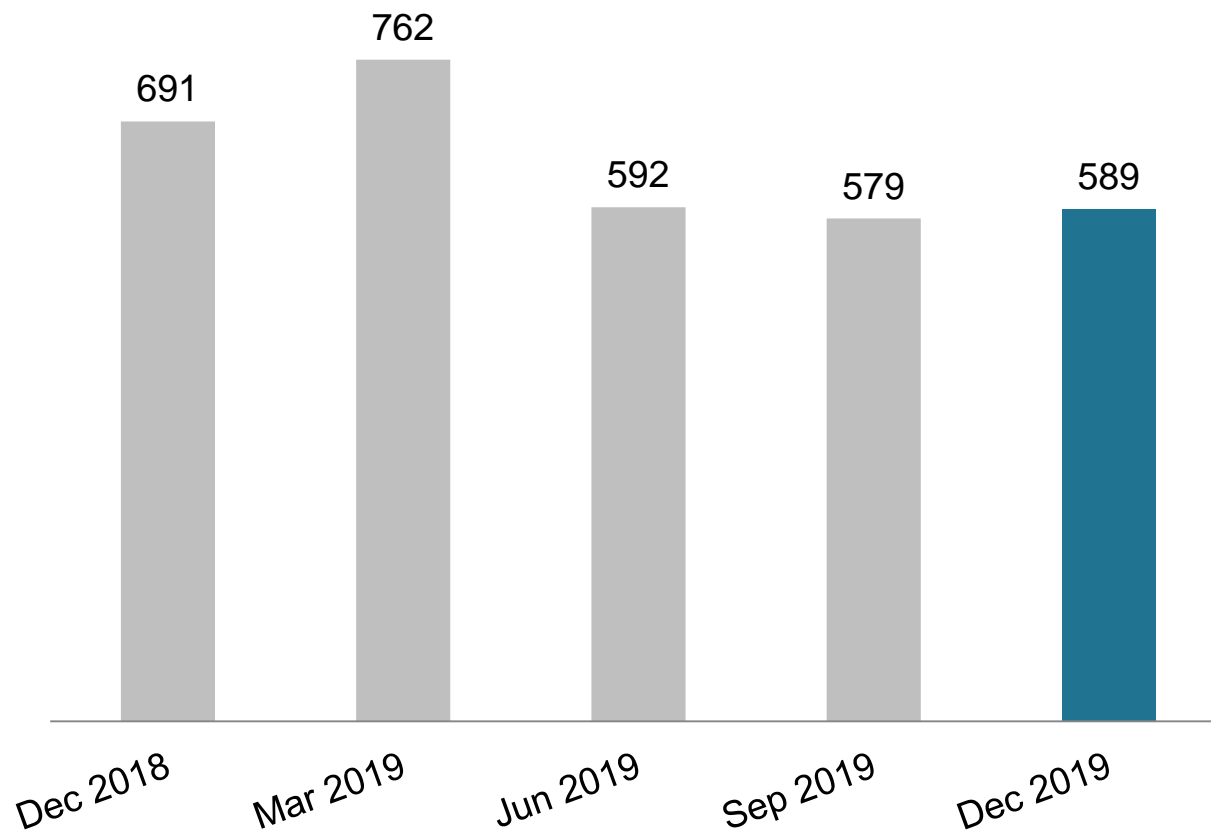
Comments

- ▶ Net cash flow of EUR 81m in 2019 lower y-o-y due to high capex level
- ▶ Capex related to:
 - ▶ capacity expansion in 2019
 - ▶ new crystal pulling hall in Singapore
 - ▶ ongoing automation projects
 - ▶ invest in capabilities
- ▶ Capex FY 2020 significantly lower but still elevated due to ongoing investment in automation and capabilities; all expansion projects to be completed in Q1 2020

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Net financial assets down y-o-y due to high dividend payout and return of some customer prepayments

Net financial assets, in EUR million



Comments

- ▶ Net cashflow of EUR 81m
- ▶ Dividend payment of EUR 150m
- ▶ Return of customer prepayments of EUR 45m net

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2019 second-best year in Siltronic's history despite slowdown in wafer demand

Q4 2019 comments

- ▶ Sales in Q4 higher than expected due to business with customers which could not be supplied during tightness
- ▶ ASP q-o-q slightly down with most pressure on SD and partly on 200 mm
- ▶ Logic and foundry business strong with 300 mm epi being close to full load
- ▶ Memory business still muted due to high raw wafer inventories at some customers
- ▶ 200 mm loading low especially for standard products
- ▶ Loading in SD on a low level

Full year 2019 comments

- ▶ Sales volume significantly down due to high inventories at customers, volume shifts under LTAs and muted demand mainly in 300 mm polished, 200 mm and SD
- ▶ Cost reductions could not fully compensate cost increases (mainly higher energy costs)
- ▶ EBITDA margin decrease y-o-y mainly a volume effect

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Underlying growth trend intact but cautious start in 2020 expected

2020 challenges and opportunities

- ▶ Cautious start in 2020 expected
- ▶ Wafer industry not fully loaded since 2019
- ▶ Despite first positive news flow from semi companies elevated inventory levels, especially in memory, have to come down
- ▶ Foundry, logic and image sensors expected to stay strong
- ▶ Memory business expected to be slow at least for H1 2020
- ▶ Upturn in wafer demand will follow recovery of semi industry with a certain time lag

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Additional Information

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Deutsche Börse:	WAF
Listing:	Frankfurt Stock Exchange Prime Standard

Financial Calendar 2020

Annual Report 2019	March 9, 2020
Annual General Meeting	April 23, 2020
Q1 Quarterly Statement	April 28, 2020
Q2 Interim Report	July 30, 2020
Q3 Quarterly Statement	October 29, 2020



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