



## Press release

Siltronic AG

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### **Siltronic achieves 2024 targets, persistently high inventory levels delay demand recovery**

- Preliminary 2024 sales of EUR 1,413 million, about 7 percent below the previous year (2024 guidance: high single-digit percentage range below previous year)
- Preliminary EBITDA of EUR 364 million – EBITDA margin of 26 percent achieved (2024 guidance: 24 to 26 percent)
- Preliminary capex of EUR 523 million (2024 guidance: EUR 500 to 530 million)
- Guidance for 2025: Demand recovery delayed due to continued high inventories at chip manufacturers and their customers
  - Sales in the region of the previous year, no increase expected year-over-year
  - H1 2025 expected to be significantly below H2 2024
  - EBITDA margin between 22 and 27 percent
- Mid-term ambition 2028: Due to the delayed demand recovery, the targets are now expected to be realized after the year 2028
- Executive Board proposes a dividend of EUR 0.20 per share to the Annual General Meeting

**Munich, Germany, February 4, 2025** – Siltronic AG (MDAX/TecDAX: WAF) has achieved its annual guidance for 2024 at the upper end of expectations based on preliminary, unaudited figures. The company reported preliminary sales of EUR 1,413 million, a decline of about 7 percent compared to the previous year (2023: EUR 1,514 million). The target for the reporting year was a high single-digit percentage decrease in sales. The main reason for the year-over-year decline was weaker demand from the semiconductor industry due to continued high inventory levels, particularly at chip manufacturers. Despite the ongoing demand weakness for the second consecutive financial year, Siltronic recorded only a slight decrease in sales prices. As a result, a preliminary EBITDA of EUR 364 million (2023: EUR 434 million) and thus a continued solid EBITDA margin of 26 percent (2023: 29 percent) was achieved. This margin was also at the upper end of the guided range of 24 to 26 percent.

"Despite a challenging market environment, we achieved our guidance and demonstrated our resilience with an EBITDA margin of 26 percent, thanks to targeted cost reduction measures. For the year 2025, we anticipate that the growth in the end-markets, primarily driven by AI, will not yet be reflected in our wafer demand due to the persistently elevated inventory levels in the value chain. Therefore, we expect H1 2025 to be significantly weaker than H2 2024," commented Dr. Michael Heckmeier, CEO of Siltronic AG.

Compared to the previous year, cost of sales decreased at an underproportional level to sales due to lower fixed cost dilution and higher depreciation. As expected, earnings before interest and taxes (EBIT) were significantly lower year-over-year at EUR 125 million (2023: EUR 231 million). The preliminary EBIT margin was 9 percent compared to 15 percent in 2023.

### **Net cash flow improved due to lower capex**

In the year under review, capex including intangible assets was significantly reduced to EUR 523 million (2023: EUR 1,316 million). The majority of investments continued to relate to the new 300 mm wafer fab in Singapore, which was commissioned at the beginning of 2024 and will now be ramped over several years.

Due to the ongoing demand weakness and the still elevated project-related investments, the preliminary net cash flow for 2024 remained negative at EUR -297 million, but improved significantly compared to the previous year (2023: EUR -664 million). As a result, net financial debt increased to EUR 733 million as of December 31, 2024 (2023: EUR 356 million). This includes the dividend payment of EUR 36 million for 2023.



## **Business performance in Q4 2024**

Preliminary Q4 2024 sales of EUR 361 million were slightly higher than Q3 (EUR 357 million), supported by a stronger US dollar. Preliminary EBITDA for Q4 2024 of EUR 93 million exceeded the previous quarter's level (Q3 2024: EUR 89 million), mainly due to the improved FX result. The preliminary EBITDA margin was 26 percent (Q3 2024: 25 percent). With a planned slight increase in depreciation, the preliminary EBIT in Q4 2024 amounted to EUR 27 million (Q3 2024: EUR 29 million). Preliminary net cash flow for Q4 improved significantly to EUR 21 million (Q3 2024: EUR -65 million). This improvement is mainly due to better operating cash flow and timing differences between payment dates and the accounting of capex. Preliminary capex for Q4 amounted to EUR 116 million (Q3 2024: EUR 94 million).

## **Guidance for the financial year 2025**

Despite the forecast for continued end market growth in the current financial year, inventory levels at chip manufacturers and their customers are only slowly decreasing. This continues to delay the expected wafer demand recovery. The Executive Board therefore expects demand to remain subdued and no sales growth in 2025. Assuming unchanged exchange rates, sales are expected to be in the region of the previous year. According to current estimates, the first six months of 2025 will be the most affected, as customer volume shifts from long-term contracts will also partly occur from the first to the second half of 2025.

The sales guidance takes into account the announced closure of wafer production for diameters up to 150 mm in Burghausen, which is now scheduled for July 31, 2025. This will have a slightly negative impact on sales and a negligible impact on earnings compared to the previous year.

The EBITDA margin is expected to be in the range of 22 to 27 percent. The cost of ramping the new fab will be partially offset by savings in energy and other areas.

At this point, Siltronic's visibility remains very limited. A more detailed guidance is expected to be provided with the publication of the Annual Report on March 6, 2025.

### **Mid-term ambition delayed due to postponed demand recovery**

The demand recovery assumed in the mid-term ambition (published at the Capital Markets Day in 2023) did not materialize in 2024, and the current financial year also continues to be characterized by subdued growth prospects. As a result, the mid-term ambition of generating sales of more than EUR 2.2 billion and an EBITDA margin in the high 30's by 2028 will likely not be realized until a later point in time.

Despite these developments, Siltronic is convinced of its medium-term growth potential. Key drivers of this growth are megatrends such as Artificial Intelligence, Digitalization, and Electromobility which will lead to a strong increase in demand for semiconductors and thus also for wafers.

### **Dividend proposal of EUR 0.20 per share**

Due to the continued demand recovery delay, the Executive Board proposes to the Annual General Meeting on May 12, 2025, a reduction of the dividend to EUR 0.20 per share for the financial year 2024. Based on the preliminary figures, this corresponds to a payout ratio of approximately 10 percent of the consolidated net income attributable to Siltronic shareholders.

"The freed-up funds will flow into our future investments to increase the long-term value of Siltronic. Despite the ongoing demand weakness, it is important to us that our shareholders continue to participate in the company's success," said Claudia Schmitt, CFO of Siltronic AG.

## Siltronic AG – Preliminary Figures 2024<sup>1)</sup>

<b>Profit and loss statement</b>							
EUR million	<b>Q4 2024</b>	<b>Q3 2024</b>	<b>Q2 2024</b>	<b>Q1 2024</b>	Q4 2023	<b>2024</b>	2023
Sales	361	357.3	351.3	343.5	356.6	1,413	1,513.8
EBITDA	93	89.4	90.6	90.8	91.1	364	433.9
EBITDA Margin	% 26	25.0	25.8	26.4	25.5	26	28.7
EBIT	27	28.9	33.0	36.0	36.8	125	231.3
EBIT Margin	% 8	8.1	9.4	10.5	10.3	9	15.3

### Capital expenditure and net cash flow

Capital expenditure in property, plant and equipment and intangible assets	116	93.5	140.6	173.0	372.3	523	1,315.9
Net cash flow	21	-65.0	-94.9	-157.9	-32.2	-297	-663.5

### Statement of financial position

EUR million	<b>Dec. 31, 2024</b>	Dec. 31, 2023
Net financial debt	<b>-733</b>	-355.7

<sup>1)</sup> The results in this document for Q4 2024 and Full Year 2024 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.

## Upcoming events

The audited financial results and the Annual Report 2024 will be published on March 6, 2025. On this day, the Executive Board of Siltronic AG will hold a conference call with analysts and investors (in English only) at 10:00 am (CET). This call will be streamed over the Internet. The audio webcast will be available live and on demand on Siltronic's website.

March 6, 2025	Publication of the Annual Report 2024
April 30, 2025	Quarterly Statement Q1 2025
May 12, 2025	Annual General Meeting
July 29, 2025	Half Year Report 2025
October 28, 2025	Quarterly Statement Q3 2025

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### Company profile:

As one of the leading wafer manufacturers, Siltronic is globally oriented and operates production sites in Asia, Europe, and the USA. Silicon wafers are the foundation of the modern semiconductor industry and the basis for chips in all electronic applications – from computers and smartphones to electric cars and wind turbines. The international company is highly customer-oriented and focuses on quality, precision, innovation, and growth. Siltronic AG employs around 4,400 people worldwide and has been listed in the Prime Standard of the German Stock Exchange since 2015. Siltronic AG shares are included in both the MDAX and TecDAX stock market indices.

**Disclaimer**

*This press release contains forward-looking statements based on assumptions and estimates made by the Executive Board of Siltronic AG. These statements can be identified by wording such as "expect", "want", "anticipate", "intend", "plan", "believe", "strive", "estimate", and "will" or similar terms. Although we assume that the expectations contained in these forward-looking statements are realistic, we cannot guarantee that they will prove to be correct. These assumptions may contain risks and uncertainties that could cause the actual figures to differ considerably from the forward-looking statements. Factors that can cause such discrepancies include changes in the macroeconomic and business environment, changes in exchange rates and interest rates, the introduction of products that compete with our own products, a lack of acceptance of new products or services, and changes in corporate strategy. Siltronic does not intend to update these forward-looking statements, nor does it assume any responsibility to do so.*

*This press release includes supplementary financial indicators that either are or may be so-called alternative performance indicators that are not clearly defined in the relevant financial reporting framework. In assessing the financial position and performance of Siltronic, these supplementary financial indicators should not be used in isolation or as an alternative to those presented in the consolidated financial statements and determined in accordance with the relevant financial reporting framework. Other companies that present or report alternative performance indicators with similar names may calculate them differently. Explanations of the key financial figures used are available in the Annual Report of Siltronic AG.*

*Due to rounding, some of the figures presented in this press release as well as in other reports may not add up exactly to the stated totals and percentages presented may not accurately reflect the absolute values to which they relate.*

***This press release is a quarterly Group statement in accordance with Section 53 of the Exchange Rules for the Frankfurt Stock Exchange.***