

## Siltronic – a leading producer of silicon wafers

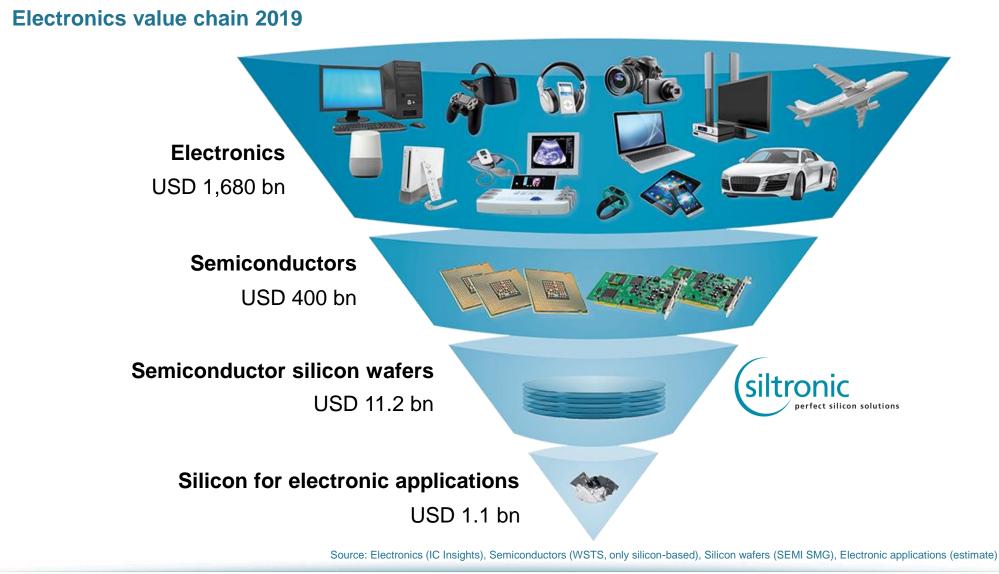
Factbook Investor Relations March 2020

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**BUSINESS ENVIRONMENT** 

...operating in a challenging market environment...

## Increasing demand for electronic devices and new applications drive semiconductor growth, which in turn fuels silicon demand

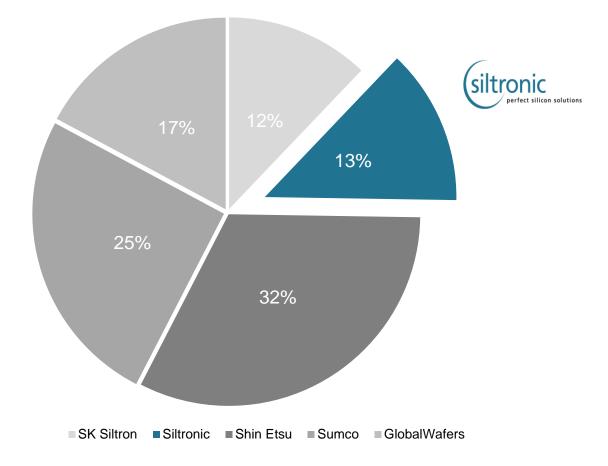


siltronic



## Siltronic has a relevant global market share

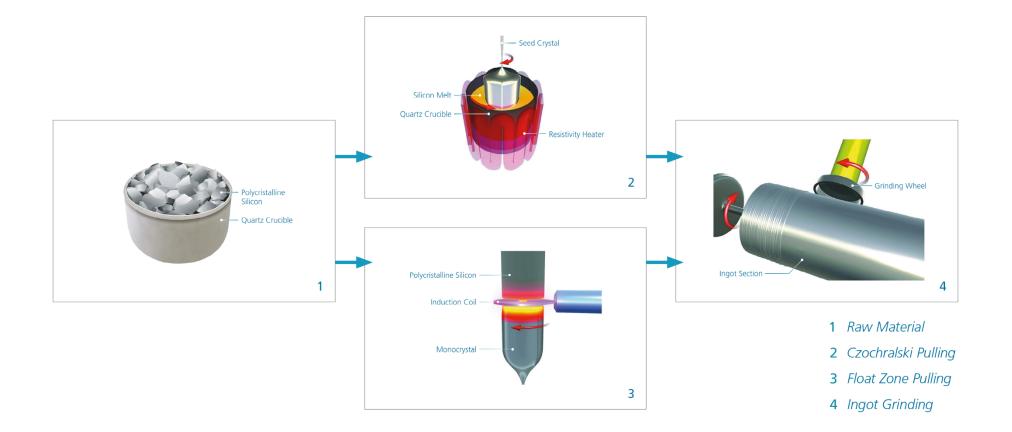
#### Top 5 wafer producers serve more than 90% of market across all diameters



Sources: reported company revenues Q1-Q3 2019, converted to USD million does not match 100% due to rounding

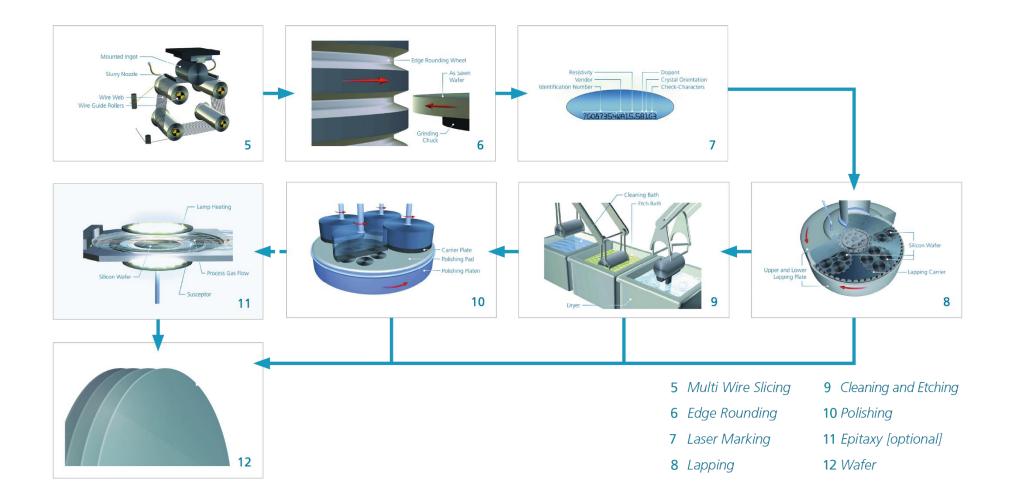


## **Production process - ingot growing**





## **Production process - wafering**





## Siltronic – More than 50 years of experience in the semiconductor industry

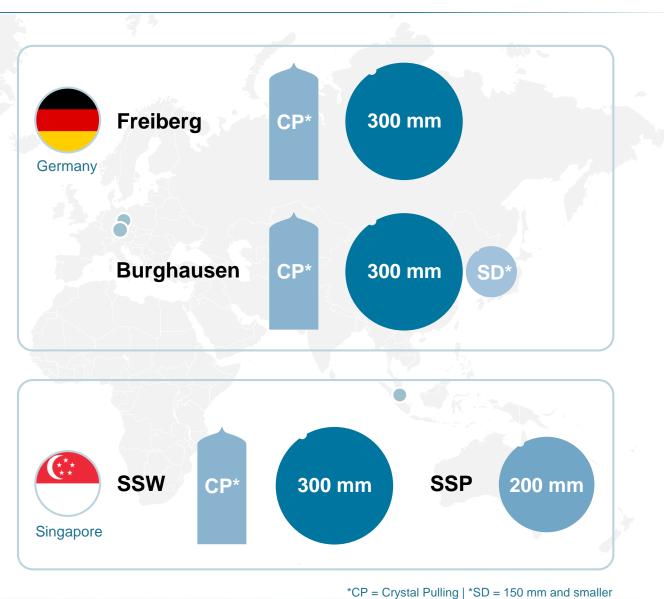
<b>1984</b> First 200 mm wafers at Wacker- Chemitronic				<b>1999</b> Fab in Singapore kicks off production			<b>2014</b> Take-over of majority stake (78%) in Siltropic					
<b>1968</b> Wacker-Chemi Gesellschaft Elektronik-Grun mbH ("Wack Chemitronic") fo	t für ndstoffe ker-	Elekt Pro Vertri	1995 attion of Freiberger tronikwerkstoffe oduktions- und iebsgesellschaft abH, Freiberg	E	200 Comp name ch to Siltro	pany hanged	(78%) in Siltronic Silicon Wafer Pte. Ltd. in Singapore		2017 Wacker executes a second placement and holds a minority of 30.8%			
V	<b>1978</b> Foundation of Vacker Siltronic Corporation in Portland, Oregor (USA)	c on First re and deve projects	Wacker Singapor	<b>997</b> r Siltronic re Pte. Ltd. nded		Sam Ltd Silico <b>04</b> n silicon launches ction in	<b>2006</b> venture S isung Waf . (now: Sil n Wafer P rith Samsu	er Pte. tronic te. Ltd.)	2019 Siltror execu succes IPO	nic tes sful	Ground- for the pulling h latest ger	<b>18</b> breaking crystal all of the neration in apore



## International manufacturing network supports market leadership and business focus



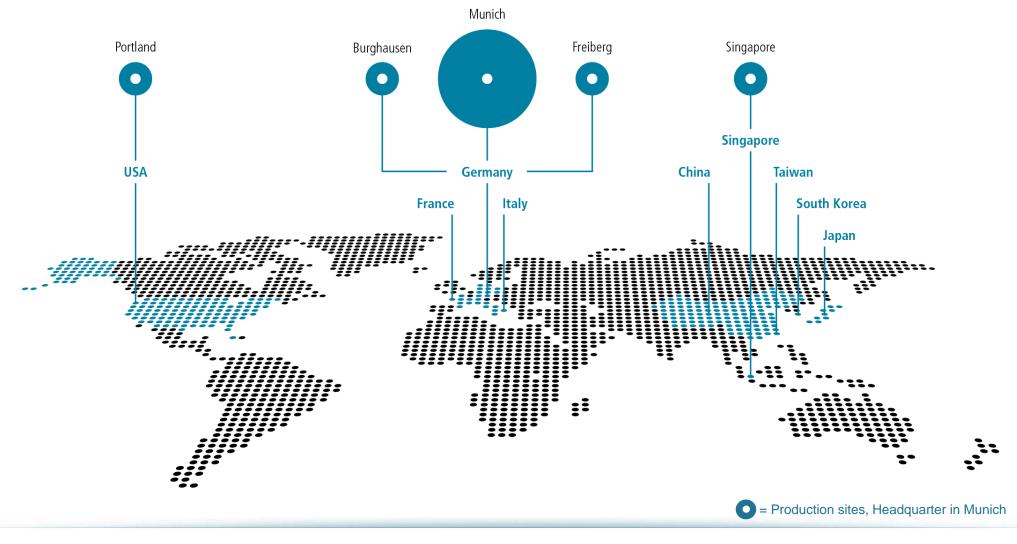
- Central R&D hub in Burghausen
- High volume facilities for 300 mm in Germany and Singapore
- The fabs in Singapore are among the world's newest & largest



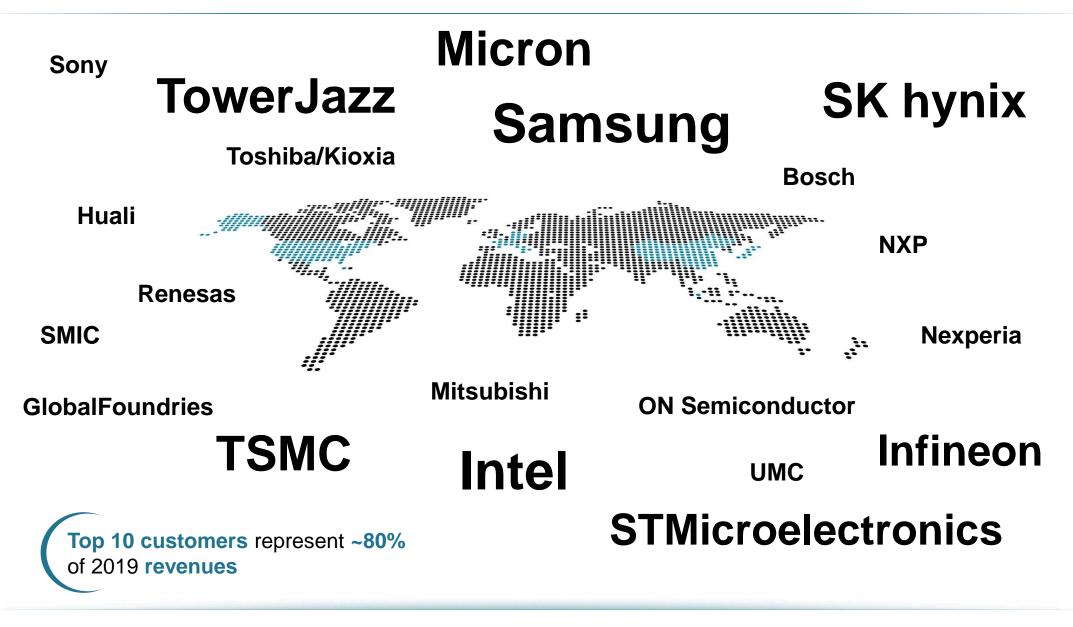


### **Global network for customer-oriented service**

#### Siltronic production and sales locations



## Customer base well diversified across all major semiconductor silicon wafer consumers





SILTRONIC - AN INDUSTRY TECHNOLOGY LEADER

...Technological leadership a constant race for improvement...

### Siltronic offers a broad product portfolio

### Portfolio ~60% ø 300 mm

2 000 1111

Process CZ

Products Double side polished wafer Epitaxial wafer Ultimate Silicon™

Main Applications Memory, Logic, Analog **Portfolio ~40%** ø 125 – 200 mm + SD

Process CZ + FZ

Standard products Polished wafer, Epitaxial wafer, Cut/lapped/etched wafer

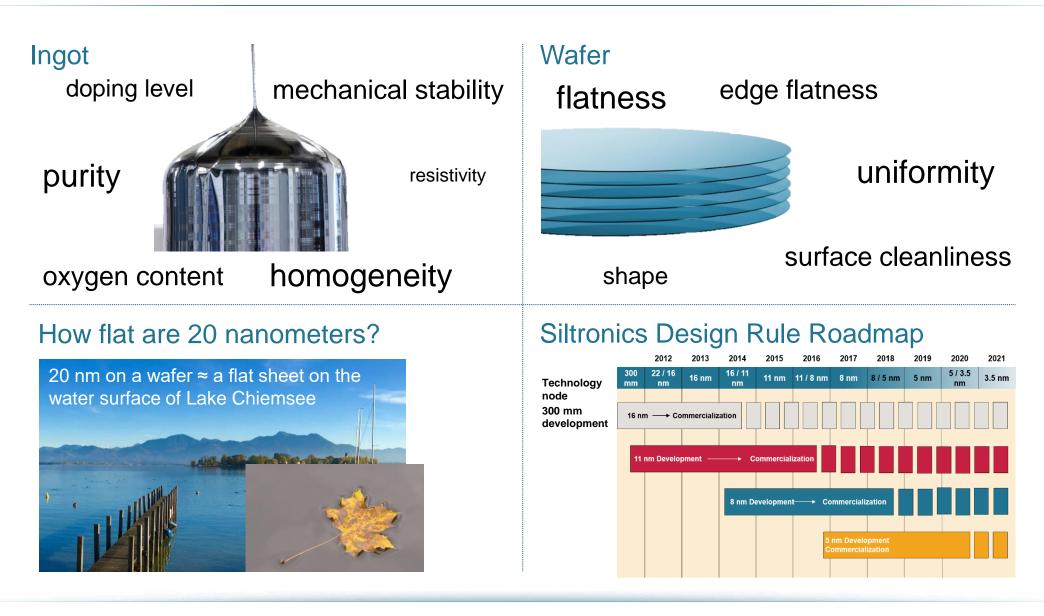
**Special products** Lowly-doped and highly-doped wafer

Main Applications Logic, Analog, Discretes, Microprocessors, Image Sensors, Powerand Optoelectronics, IGBTs

Note: CZ: Czochralski crystal growing, FZ: float zone technology



## The flatness of the wafer - just one of many requirements of our customers





## Siltronic is a leader in wafer technology and quality

#### Technology leadership complemented with the highest level of quality

- First supplier to ship 300 mm wafers
- Development of 8 nm design rule started in 2013 (commercialization 2017)
- Concurrently optimizing on 50+ wafer parameters of each design rule
- >400 engineers worldwide
- Approximately 1,850 patents issued and pending (as of Dec. 31, 2019)
- Single wafer traceability for 300 mm
- Standardized processes across sites enabling "copy exactly" at product level

 Quality awards from several top semiconductor players



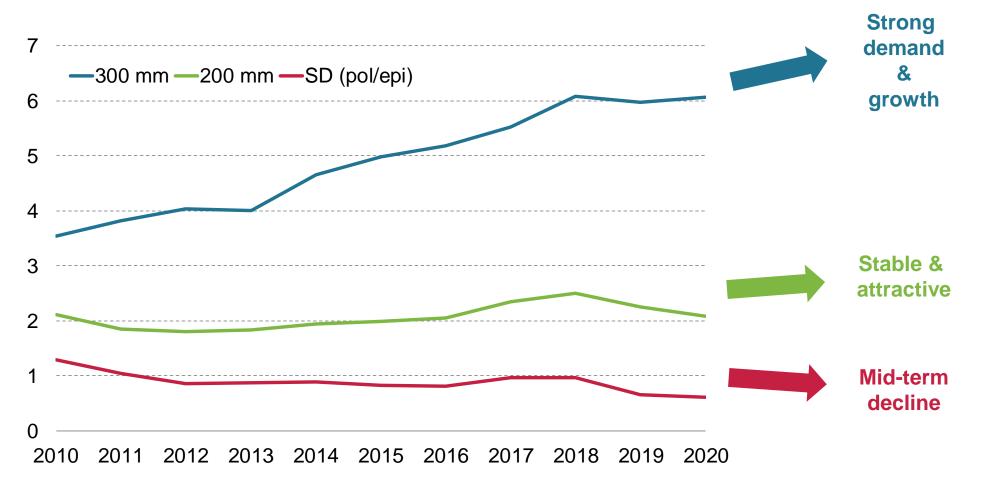


SILTRONIC PERFORMANCE

...well prepared to gain from future growth...

## Siltronic is focused on growing 300 mm and attractive 200 mm business.

Development of total wafer demand per diameter, in mn 300 mm equivalents per month



Source: SEMI up to Jan 2020



# Ever new applications for electronic devices and the infrastructure to support them continue to drive silicon demand

#### Electronic equipment contains multiple devices built on tailormade Si substrates

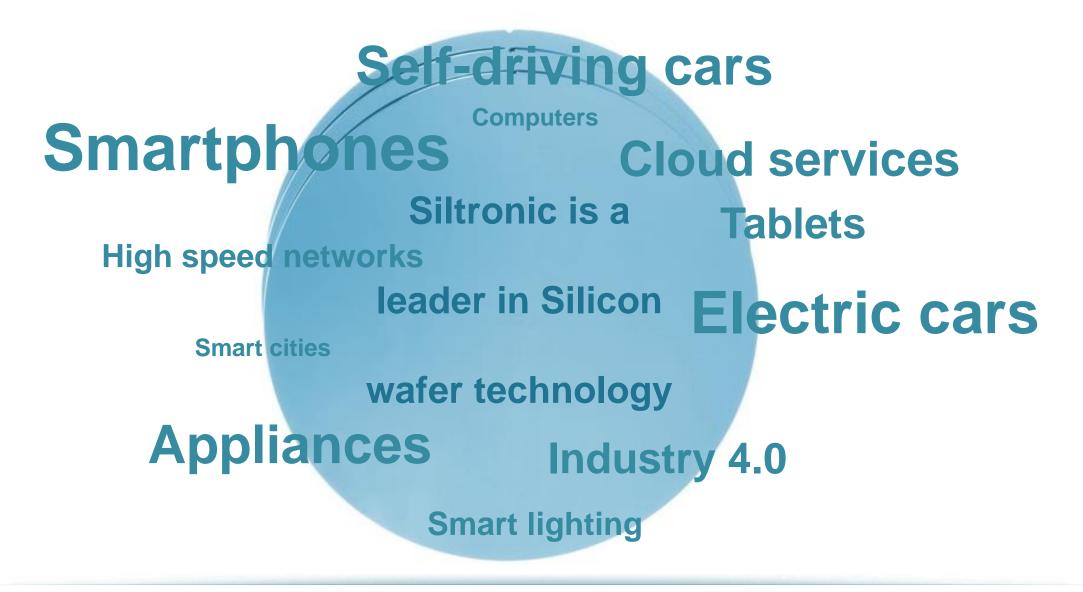




## END MARKETS

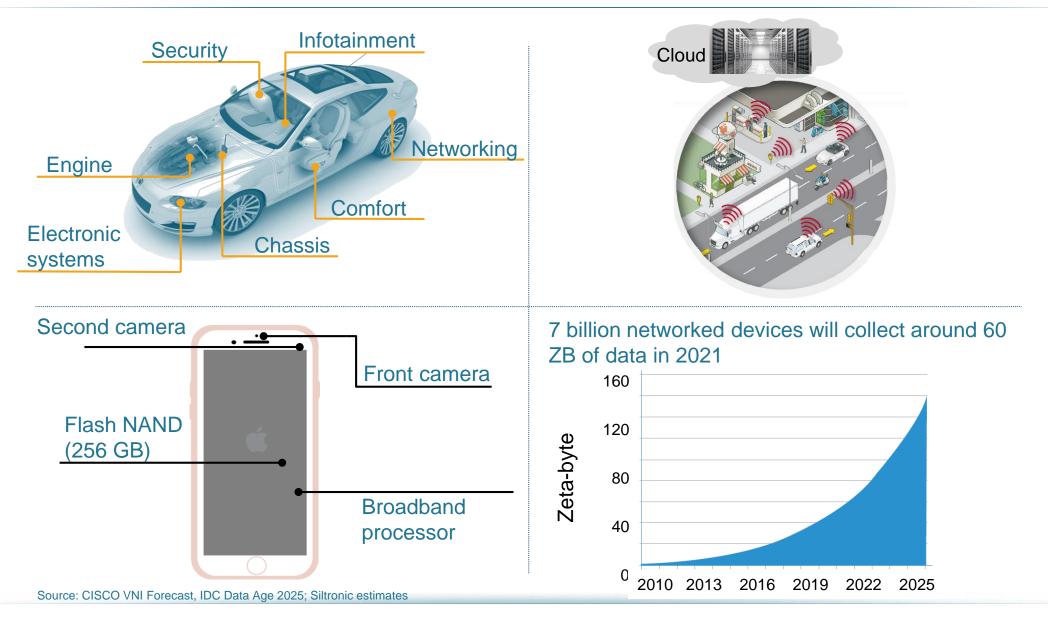
... are much more diverse nowadays...

### All electronics are based on silicon





### Data storage, networking and digitalization





# Industrial semiconductor segment comprises a wide range of applications



Medical

- diagnostics and control
- imaging equipment
- laboratory test
- patient monitoring



#### Power & Energy

- equipment for energy production and distribution
- industrial power supplies
- energy meters



- built in climate control
- lighting
- safety & security equipment



- aircraft systems
- radar, sonar, avionics
- missile guidance
- military grade computers



#### Manufacturing

- manufacturing equipment
- robotics
- process control equipment
- measurement instruments
- motor controls



#### **Other Industrial**

- power tools
- ATMs
- ships, golf cars, electric bikes and trains

Source: appliedmaterials.com



### STAKEHOLDERS' BENEFITS

...shareholders to benefit from improved financials...

### **Overview Financials**

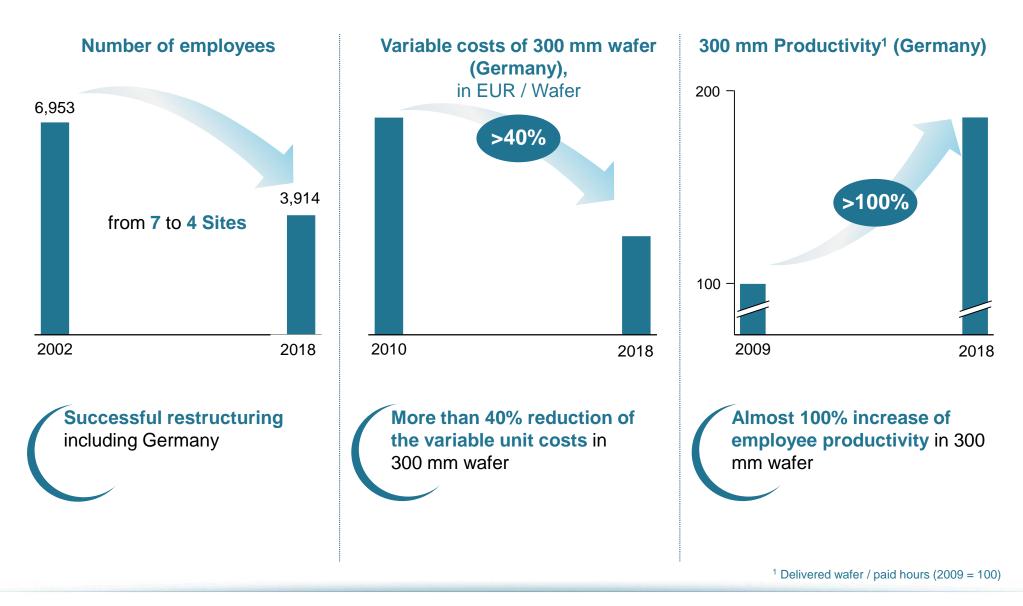
Adjusted financial figures (EUR million)	2015	2016	2017	2018	2019
Sales	931.3	933.4	1,177.3	1,456.7	1,270.4
EBIT	2.7	27.0	235.7	497.7	298.3
EBIT margin in %	0.3	2.9	20.0	34.2	23.5
EBITDA	124.0	146.0	353.1	589.3	408.7
EBITDA margin in %	13.3	15.6	30.0	40.5	32.2
Earnings per share	(0.50)	0.40	6.18	12.44	7.52
Сарех	75.0	88.8	123.2	256.9	363.0
Free cash flow <sup>1</sup>	37.4	19.0	169.6	416.4	36.4
Net cash flow <sup>1</sup>	-	39.6	124.8	240.4	81.3
Dividend	-	-	75.0	150.0	90 <sup>2</sup>

1 In 2018, Siltronic started reporting the key figure "net cash flow" instead of "free cash flow". Net cash flow represents free cash flow without the time shifts created by inflow and return of customer prepayments which, due to the size, impairs the meaningfulness of free cash flow.

2 Dividend proposal or EUR 3.00 per share to AGM (final date to be set)

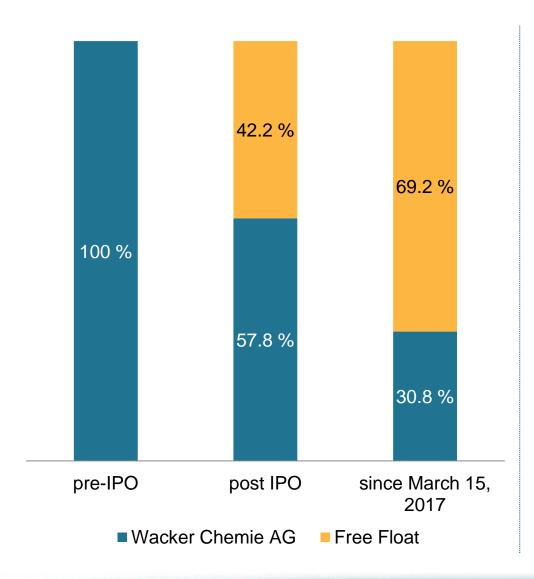


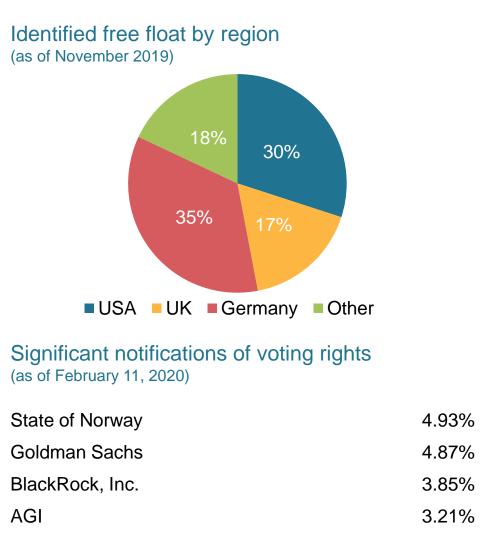
## Outstanding cost reduction and efficiency improvement track record





## Investor structure well diversified with a strong anchor shareholder







Market position	<ul> <li>Strong market position in the semiconductor and wafer industry</li> </ul>
Strategy	<ul> <li>Technology and quality leadership</li> </ul>
Customers	<ul> <li>Supplier to all top 20 silicon wafer consumers</li> </ul>
Financials	<ul> <li>Profitable sales increase and on-going efficiency improvement</li> </ul>
Products	<ul> <li>High-quality wafers made of hyperpure silicon</li> </ul>
Management	<ul> <li>Experienced management team and highly skilled workforce</li> </ul>



### STRATEGY

...no change in our proven strategy while enjoying improving returns...

## Siltronic strategy - capitalize on market opportunities while focusing on 300 mm & technological leadership



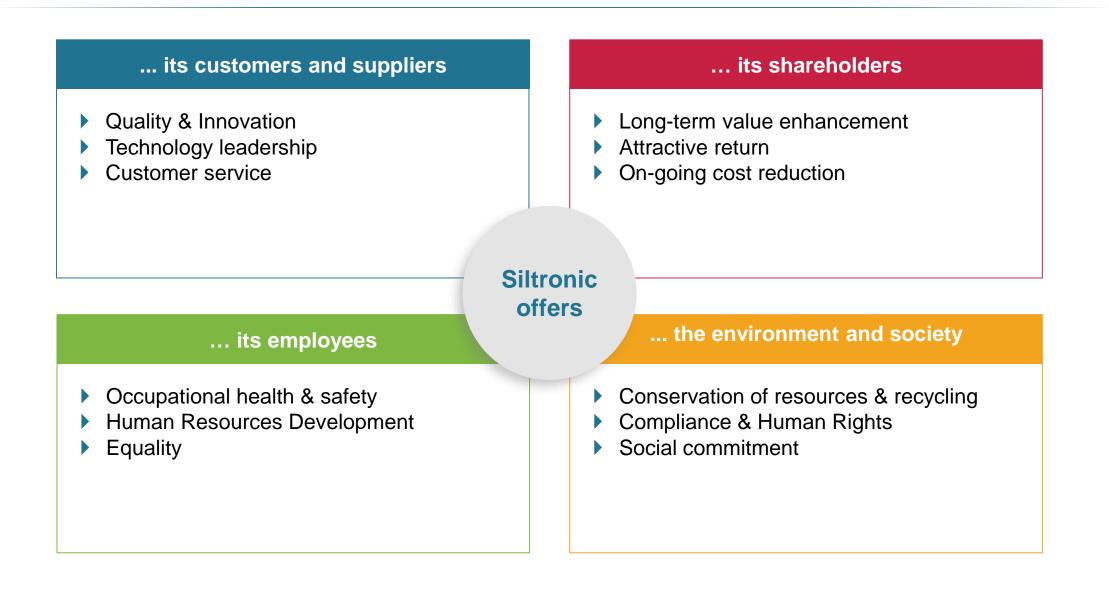
We continuously increase the value for our stakeholders by providing best-in-class wafers at competitive costs.



### SUSTAINABILITY

...We plan resource-saving right from the start, based on product and production safety as well as health and environmental protection...

## **Creating value for all stakeholders**





## **Clear commitment to sustainability**

#### Sustainability at Siltronic AG

- Claim: We understand sustainability not only as responsible action, but also want to generate competitive advantages through our sustainable actions.
- Strategy: We plan resource-saving right from the start, based on product and production safety as well as health and environmental protection.
- Voluntary commitments: We follow the principles of the Responsible Business Alliance (RBA) and Responsible Care initiatives and the United Nations Global Compact.
- Goal: We want to reconcile the effects of our business activities with the expectations and needs of society.

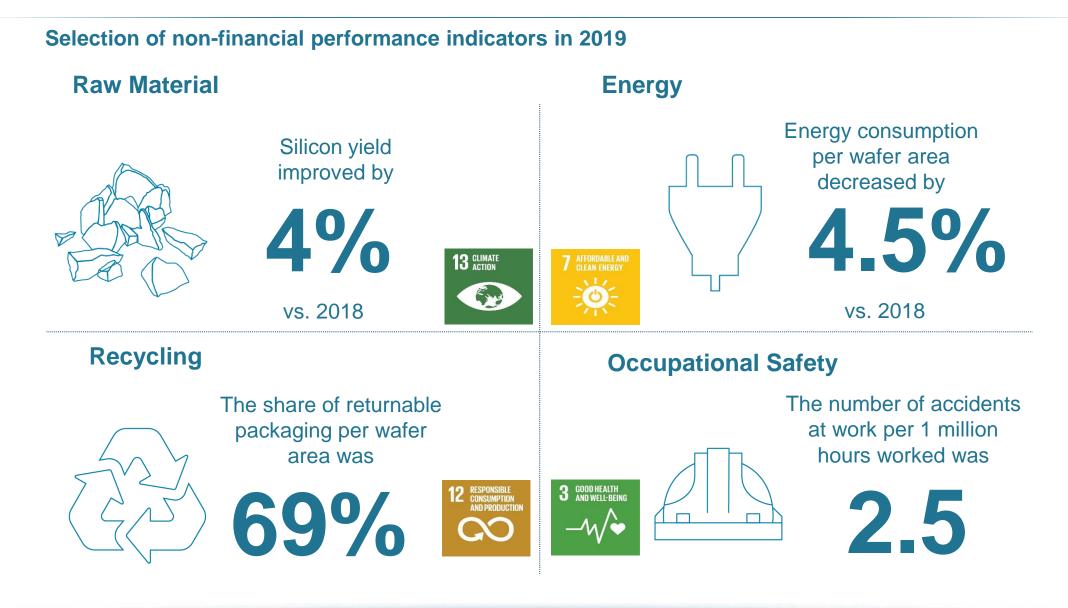
**CDP:** Siltronic has been evaluated by CDP since 2018; current evaluation results CDP Climate Change "B | Management" and Water Security "B- | Management"

**ISS-oekom:** Siltronic has been evaluated by ISS-oekom since 2017. With the "Prime" rating, Siltronic is one of the leading companies in the semiconductor industry in the area of sustainability.





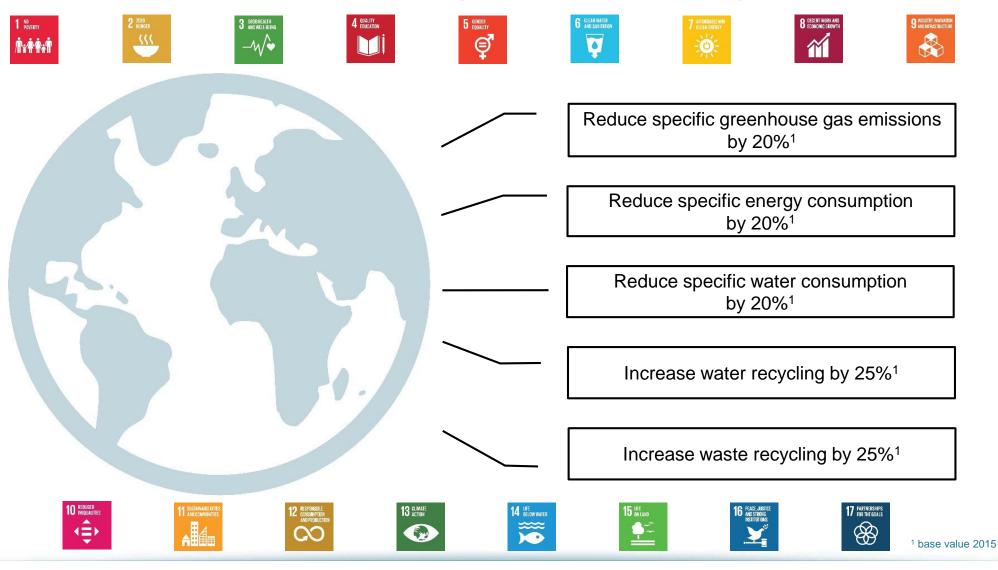
## **Environment - Efficiency as a success factor**





## CSR targets until 2030

Consistently sustainable action secures long-term competitive advantages for Siltronic





## **Contact and Additional Information**

#### **Issuer and Contact**

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#### **Financial Calendar 2020**

Q1 Quarterly Statement	April 28, 2020
Q2 Interim Report	July 30, 2020
Q3 Quarterly Statement	October 29, 2020

#### **Additional Information**

ISIN:	D
WKN:	W
Deutsche Börse:	W
Listing:	Fr
-	П.

DE000WAF3001 WAF300 WAF Frankfurt Stock Exchange Prime Standard





ISS-oekom>



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