



VIS To Acquire GLOBALFOUNDRIES' Fab 3E In Singapore

January 31, 2019

Hsinchu, Taiwan and Santa Clara, Calif. Jan. 31st, 2019 – Vanguard International Semiconductor Corporation (VIS) and GLOBALFOUNDRIES (GF) today announced that VIS will acquire GF's Fab 3E in Tampines, Singapore. The transaction includes buildings, facilities, and equipment, as well as IP associated with GF's MEMS business. GF will continue to operate the facility through the end of 2019, providing a transition period to facilitate technology transfers for VIS and existing GF customers. Fab 3E currently manages a monthly capacity of approximately 35,000 8-inch wafers. The transaction amounts to \$236 million USD and the transfer of ownership is set to be completed on December 31st, 2019.

VIS and GF have already reached consensus on the transfer of Fab 3E's employees and customers. Both companies believe that employees are the most important assets of a company, so their interests should be put as the first priority during the transition--while ensuring no disruption to customers whose products are in production at the fab. Under this premise, VIS will extend employment offers to all employees currently working at Fab 3E, as well as continuously provide existing customers at Fab 3E with its foundry service, including MEMS customers.

"I appreciate the support of GF's board and management team for this transaction, giving VIS an opportunity to continue expanding its capacity and reinforce momentum for future growth," said Mr. Leuh Fang, Chairman of VIS. "Since its foundation, VIS has already had three separate experiences of successfully transforming a DRAM fab into a foundry fab. We believe this transaction is a win-win for both VIS and GF; and to VIS, it is also a decision that benefits all of our customers, employees, and shareholders. VIS will uphold its philosophy and principles to continue satisfying customers' demands in capacity and technology, sustaining profitability and growth, and rewarding our shareholders."

"This transaction is part of our strategy to streamline our global manufacturing footprint and increase our focus in Singapore on technologies where we have clear differentiation such as RF, embedded memory and advanced analog features," said GF CEO Tom Caulfield. "Consolidating our 200mm operations in Singapore into one campus will also help reduce our operating costs by leveraging the scale of our gigafab facility in Woodlands. VIS is the right partner to leverage the Fab 3E asset going forward."

VIS's capacity has been fully utilized since 2018, and it is in the interests of its customers that VIS expands capacity to meet growing demands. The new fab is expected to contribute more than 400,000 8-inch wafers per year. This acquisition demonstrates the determination and commitment of VIS to accelerate capacity expansion.

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About VIS

Vanguard International Semiconductor Corporation (VIS) is a leading specialty IC foundry service provider, founded in December 1994 in Hsinchu Science Park, Taiwan. VIS currently owns three 8-inch fabs with capacity of approximately 200,000 wafers per month. VIS offers a wide range of process technologies, including High Voltage, Ultra High Voltage, Bipolar CMOS DMOS (BCD), Discrete, SOI (Silicon on Insulator), Logic, Mixed-Signal. For more information, visit the company's website: www.vis.com.tw

About GF

GLOBALFOUNDRIES (GF) is a leading full-service foundry delivering truly differentiated semiconductor technologies for a range of high-growth markets. GF provides a unique combination of design, development, and fabrication services, with a range of innovative IP and feature-rich offerings including FinFET, FDX™, RF and analog/mixed signal. With a manufacturing footprint spanning three continents, GF has the flexibility and agility to meet the dynamic needs of clients across the globe. GF is owned by Mubadala Investment Company. For more information, visit www.globalfoundries.com.

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