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***Note to editors:** The top officers of SVTC and ATDF will answer questions during a call-in press conference today at 2 p.m. Pacific time, 4 p.m. Central. To participate toll-free from any North American location, call 800-926-5085. For journalists outside North America, call 212-231-2914. Please dial in about five minutes early so that we can ensure good connections.*

SVTC JOINS FORCES WITH SEMATECH FOUNDRY ATDF

Merger creates semiconductor process-development powerhouse

SAN JOSE, CA and AUSTIN, TX (Dec. 4, 2007) — ATDF and SVTC Technologies today announced a merger that could change the landscape for semiconductor and nanotechnology development by expanding secure, cost-effective access to advanced process tools and capabilities for a wide range of technology companies.

Austin-based ATDF is the research and development (R&D) foundry and subsidiary of industry consortium SEMATECH. SVTC is a San Jose-based development foundry and recent spin-off from Cypress Semiconductor. These complementary organizations currently serve more than 200 customers world-wide.

The combined organization will offer industry partners a secure, cost-effective alternative to dedicated R&D fabs or shared development/production operations. Partners and customers include semiconductor companies, foundries and equipment suppliers as well as universities and other research institutions.

The merger is expected to be completed by year-end. Terms were not released.

Wide Range of Process Development Capabilities

The merger is good news for companies requiring process development and commercialization on advanced 200mm/300mm production-grade equipment in a disciplined and operationally effective environment, said Dave Bergeron, SVTC's chief executive officer.

“Companies from all areas of the industry are showing real interest in our model. They represent such diverse application areas as non-volatile memory, micro-electromechanical systems (MEMS), imaging, high-voltage and analog technologies. We even have nano-technology and solar PV cell development taking place in our facilities – it is exciting to witness the range of companies that can accelerate their path to market with us.”

New Opportunities in Austin

Dave Anderson, general manager of ATDF, said the Austin foundry would continue to serve global and regional customers and support university research.

“The merger is an excellent opportunity to expand capabilities; broaden our global customer base; grow our emerging technology, wafer services and tool access businesses; and create new jobs. Together, SVTC and ATDF represent a major force in both the domestic and international markets,” he said.

Growing Trend in New Process Development

SVTC’s Bergeron pointed out that companies are turning to new materials and processes to solve a variety of technical challenges in integration, small-scale geometries and phase-state control, among others.

“Before plunking down millions of dollars on new equipment for this kind of development, senior technologists are now coming to us for a cost-effective solution that still enables them to pursue their development objectives without compromise. Even fabless companies and start-ups can take advantage of our model for development support and commercialization – previously available only to IDMs and consortia with deep pockets.”

“Today even large companies are facing increasingly challenging economics of running stand-alone R&D fabs,” Bergeron said. “SVTC and ATDF together can support large projects and we have the scale to invest for the future.”

Pioneering Roots

Members of SEMATECH were at the forefront of the trend toward shared-use development foundries in 2004 when they launched ATDF into the commercial mainstream as an independent, for-profit subsidiary, according to SEMATECH President and CEO Michael Polcari.

“Today’s merger is a real success story – for ATDF and SVTC, for SEMATECH and for the entire semiconductor industry,” Polcari said. “SVTC, whose investors include Oak Hill Capital Partners and Tallwood Venture Capital, will use its substantial resources to take the development foundry concept to the next stage.”

About SVTC Technologies

Silicon Valley’s SVTC™ Technologies, LLC provides a unique cost-effective solution for both large and small developers of novel semiconductor and nano- technologies. Customers in such diverse areas non-volatile memory , MEMS, photovoltaics, biotech and high-voltage all work independently in an IP-secure environment on advanced 200mm equipment. In addition to providing facilities and expertise, SVTC offers customers superior cycle times, and faster time to revenue. More information can be found at www.svtc.com.

About ATDF

ATDF is where semiconductor manufacturers, equipment and materials suppliers, universities and other high-tech firms from around the world come to perform cutting-edge research and development. ATDF engineers develop baseline processes that bring new tools and materials to manufacturing at reduced cost. With ATDF’s highly customized development activities, customers have access to the processes, electrical data and equipment necessary to bring products to market—fast. Because ATDF helps set the roadmap for future technologies, it is able to offer next-generation technology today. More information can be found at www.atdf.com.

About SEMATECH

For 20 years, SEMATECH, www.sematech.org, has set global direction, enabled flexible collaboration and bridged strategic R&D to manufacturing. Today, SEMATECH continues accelerating the next technology revolution with its nanoelectronics and emerging technology partners.

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