



Partners in RF & Microwave

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MACOM Announces IP Licensing Program for GaN-on-Silicon Technology

Agreement with IQE enables MACOM to deliver GaN performance at 8" silicon cost structure

LOWELL, Mass.--(BUSINESS WIRE)-- M/A-COM Technology Solutions Inc. ("MACOM"), a leading supplier of high performance RF, microwave, and millimeter wave products, today announced an IP licensing program for Gallium Nitride (GaN) on Silicon technology. MACOM detailed recent progress in two areas critical to realizing its future vision of enabling the mainstream adoption of GaN as a large-scale RF semiconductor technology across the industry.

As a first step, MACOM announced a license and epitaxial (epi) wafer supply agreement which will enable IQE, the world's largest supplier of compound semiconductor epi, to manufacture GaN-on-Silicon epi at 4, 6 and 8-inch diameters in high volume for RF applications. This move is expected to allow MACOM to deliver GaN RF products with breakthrough bandwidth and efficiency at mainstream 8-inch silicon cost structures.

Further, MACOM announced that it is in active discussions to make GaN-on-Silicon technology available to select companies for use in RF applications. MACOM believes that establishing such large diameter wafer manufacturing sources will be a key factor in driving mainstream, commercial adoption of GaN technology. Surety of supply is of critical importance in power amplifier dependent markets such as cellular basestations. According to Strategy Analytics, power amplifier transistor revenue from base stations will grow to more than \$1 billion in 2014.

"We are nearing a watershed moment for the RF & Microwave industry, promising breakthrough performance for compound semiconductors and leveraging large-scale silicon production facilities that operate at orders of magnitude greater economies of scale," said John Croteau, President and CEO, MACOM. "We believe our recent acquisition of Nitronex and its portfolio of fundamental IP rights related to GaN-on-Silicon materials, process, and device technology for RF applications provides us with the foundation for a licensing program that will help bring our vision of GaN performance at mainstream 8-inch silicon cost structures a reality."

As the world's number 1 supplier of compound semiconductor epi, IQE today supplies over 50% of the world's RF epitaxial wafers. IQE possesses the largest independent manufacturing capacity of compound semiconductor epi worldwide, and as a result, is able to achieve enhanced economies of scale, helping to build wafer capacity and cost structure needed to grow the GaN market.

"We are beginning to see very significant traction for GaN occurring in the compound semiconductor industry, across a wide range of applications," said Drew Nelson, President & CEO, IQE. "Our agreement with MACOM allows us to further penetrate this new market by bringing decades of high volume production experience to create the necessary supply chain needed to accelerate GaN adoption. We look forward to a powerful ongoing relationship."

ABOUT MACOM

M/A-COM Technology Solutions Holdings, Inc. (www.macom.com) is a leading supplier of high performance analog RF, microwave, and millimeter wave products that enable next-generation Internet and modern battlefield applications. Recognized for its broad catalog portfolio of technologies and products, MACOM serves diverse markets, including high speed optical, satellite, radar, wired & wireless networks, CATV, automotive, industrial, medical, and mobile devices. A pillar of the semiconductor industry, we thrive on more than 60 years of solving our customers' most complex problems, serving as a true partner for applications ranging from RF to Light.

Headquartered in Lowell, Massachusetts, M/A-COM Tech is certified to the ISO9001 international quality standard and ISO14001 environmental management standard. M/A-COM Tech has design centers and sales offices throughout North America, Europe, Asia and Australia.

MACOM, M/A-COM, M/A-COM Technology Solutions, M/A-COM Tech, Partners in RF & Microwave, The First Name in Microwave and related logos are trademarks of MACOM. All other trademarks are the property of their respective owners.

ABOUT IQE

IQE is the leading global supplier of advanced semiconductor wafer products that enable a diverse range of applications across wireless, photonics, infrared, solar, power and advanced CMOS markets.

IQE offers the industry's most comprehensive materials portfolio including GaN, GaAs, InP, GaSb, Si, SiGe and SOI wafer products.

With over 25 years experience supporting customers from R&D to volume production, IQE operates a number of manufacturing and R&D facilities across Europe, Asia and the USA.

Special Note Regarding Forward-Looking Statements

This press release contains forward-looking statements based on MACOM management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include, among others, statements concerning the Nitronex acquisition, Nitronex's portfolio of IP rights, Nitronex's or MACOM's GaN licensing strategy and potential licensing of any party, the impact or benefits of the IQE agreement or any of the other items described above, the mainstream adoption of GaN as a large-scale RF semiconductor technology across the industry, and MACOM's ability to deliver GaN RF products with breakthrough bandwidth and efficiency at mainstream 8-inch silicon cost structures, as well as any other statements regarding MACOM's plans, beliefs or expectations. Forward-looking statements include all statements that are not historical facts and generally may be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "seeks," "should," "will," "would" or similar expressions and the negatives of those terms.

All such forward-looking statements are subject to risks, uncertainties, assumptions and changes in circumstances that may cause those events or our actual activities or results to differ materially from those expressed in any forward-looking statement. Although MACOM believes that the expectations reflected in the forward-looking statements are reasonable, it cannot and does not guarantee future events, results, actions, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements, including, among others, lack of adoption or delayed adoption by customers and industries we serve of GaN or GaN products offered by us or others, failures or delays in porting and qualifying GaN process technology at any manufacturing site, lower than expected utilization and absorption of manufacturing facilities, lack of success or slower than expected success in our new product development efforts, loss of business due to competitive factors, product or technology obsolescence, customer program shifts or otherwise, the potential for increased pricing pressure based on competitive factors, technology shifts or otherwise, the impact of supply shortages or other disruptions in our internal or outsourced supply chain, the expense, business disruption or other impact of any current or future investigations, administrative actions, litigation or enforcement proceedings we may be involved in, as well as those factors described in "Risk Factors" in MACOM's filings with the Securities and Exchange Commission (SEC), including its Quarterly Report on Form 10-Q for the fiscal quarter ended January 3, 2014 as filed with the SEC on February 12, 2014. MACOM undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

DISCLAIMER FOR NEW PRODUCTS:

Any express or implied statements in MACOM product announcements are not meant as warranties or warrantable specifications of any kind. The only warranty MACOM may offer with respect to any product sale is one contained in a written purchase agreement between MACOM and the purchaser concerning such sale and signed by a duly authorized MACOM employee, or, to the extent MACOM's purchase order acknowledgment so indicates, the limited warranty contained in MACOM's standard Terms and Conditions for Quotation or Sale, a copy of which may be found at: www.macomtech.com/content/customersupport.

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